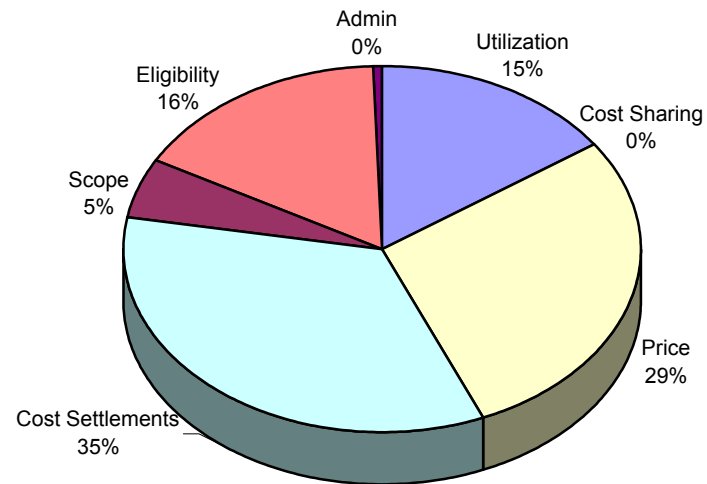
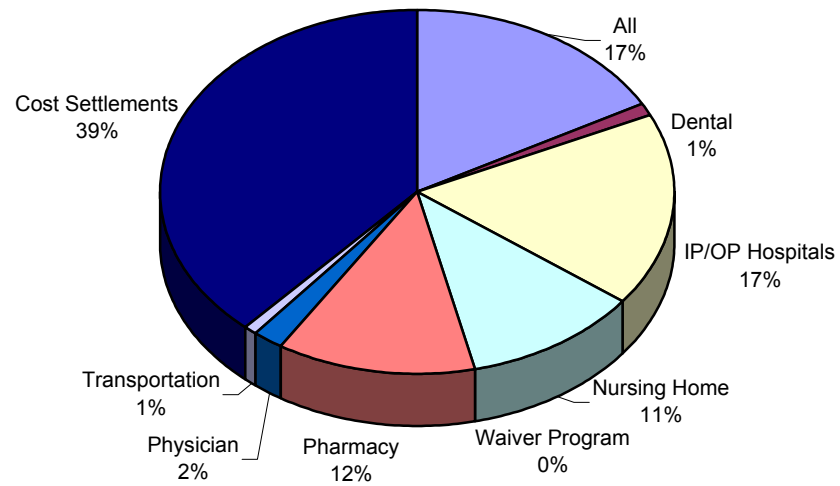


**DEPARTMENT OF COMMUNITY HEALTH**  
*FY2006 Budget Reductions*

**FY06 Budget Reductions by Cost Driver - Governor's Recommendations**



**FY06 Budget Reductions by Provider Type - Governor's Recommendations**



Department of Community Health  
Proposed Reductions to Medicaid and PeachCare for Kids  
FY2006

Gov			FY2006	State Funds				Governor
#	#	Item	Total Funds	@105%	@100%	@97%	Recommended	
Utilization								
1	5	Implement disease and case management to improve medical management for the aged, blind, and disabled populations.	\$ 39.3	\$ 15.5	\$ 15.5	\$ 15.5	\$ 15.5	
2	6	Require prior authorization for more than four brand prescriptions per month.	\$ -	\$ -	\$ -	\$ -	\$ -	
3	7	Require prior authorization for high cost radiology services.	\$ 7.6	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	
4	Base	Implement pre-certification for hospital admissions for children. <b>Yes - Reduce base (\$2.9 million).</b>	\$ 6.9	\$ 2.6	\$ 2.6	\$ 2.6	Base - #1	
5	Base	Strictly enforce orthodontic policies for children. <b>Yes- Reduce base (\$1.8)</b>	\$ 4.8	\$ 1.8	\$ 1.8	\$ 1.8	Base - #2	
6	8	Expand the emergency room utilization control pilot program to additional hospitals.	\$ 5.1	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	
7	Base	Pursue a more aggressive lock-in program for drugs subject to abuse. <b>Yes - Reduce base (\$1.0)</b>	\$ 2.5	\$ 1.0	\$ 1.0	\$ 1.0	Base - #3	
8	9	Set a fixed expenditure cap for home and community based services provided in the Independent Care Waiver programs. <b>Yes - Redirect funds to add slots for ICWP.</b>	\$ 2.6	\$ -	\$ 1.0	\$ 1.0	Yes-Redirect	
subtotal Utilization				\$ 25.9	\$ 26.9	\$ 26.9	\$ 20.5	
Cost Avoidance								
9		Charge premiums for children ages 1 to 5 participating in the PeachCare for Kids program.	\$ 16.3	\$ -	\$ 4.2	\$ 4.2	\$ -	
10	10	Charge premiums for Katie Beckett children. <b>Charge \$200 per month for those who earn over \$100,000. (\$270,000)</b>	\$ 3.8	\$ -	\$ -	\$ 1.5	Yes - cut incl. In base	
subtotal Cost Avoidance				\$ -	\$ 4.2	\$ 5.7	\$ -	
Price								
11		End supplemental payments to hospitals for neonatal programs.	\$ 14.0	\$ 5.5	\$ 5.5	\$ 5.5	\$ -	
12	13	Reduce the percentage applied to supplemental outlier payments from 90% to 85.6% for inpatient hospital reimbursement.	\$ 5.9	\$ 2.3	\$ 2.3	\$ 2.3	\$ 2.3	
13	15	Rebase DRG's and move to a more current grouper. Adjust to ensure budget neutrality.	Yes				Yes	
14		Reduce nursing home reimbursement by adjusting cost center standards, growth allowance, hospital-based differentials, and efficiency add-ons.	\$ 50.9	\$ 12.4	\$ 20.1	\$ 20.1	\$ -	
15	17	Reduce Nursing home reimbursement by reducing the growth allowance to offset the reduction in expected nursing home provider fees.	\$ 24.5	\$ 9.6	\$ 9.6	\$ 9.6	\$ 9.6	
16		Reduce reimbursement to nursing homes for residents participating in hospice	\$ -	\$ -	\$ -	\$ -	\$ -	
17	18	Require Medicare cost avoidance for nursing home care.	\$ 0.9	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	
18	19	Utilize FY2003 cost reports to determine nursing home reimbursement. Adjust to ensure budget neutrality. <b>Governor recommendation includes funding see adjustment below. (4.3)</b>	Yes				Yes	
19	14	Reduce facility fees paid for free-standing hospital-based clinics by basing reimbursement on two times the fixed amount of facility fees paid to physicians.	\$ 4.1	\$ 1.6	\$ 1.6	\$ 1.6	\$ 1.6	
20	12	Reduce the cap applied to outpatient hospital reimbursement (based on the average inpatient payment per claim.)	\$ 6.6	\$ 2.5	\$ 2.5	\$ 2.6	\$ 2.5	
21	16	Explore alternative reimbursement methodologies for outpatient hospital services.	Yes				Yes	
22	21	Increase the average wholesale price discount from 11% to 14% for pharmacy prescriptions.	\$ 13.4	\$ 5.2	\$ 5.2	\$ 5.2	\$ 5.2	
23	23	Eliminate the dispensing fee incentive paid for dispensing generic drugs.	\$ 4.8	\$ 1.9	\$ 1.9	\$ 1.9	\$ 1.9	
24	22	Require minimum bids on discount off AMP for next round of supplemental rebates.	\$ 10.2	\$ 3.9	\$ 3.9	\$ 4.0	\$ 3.9	
25	20	Apply 14% discount to AWP for injectable drugs provided in a physician's office.	\$ 3.4	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.3	
26		Reduce reimbursement for all categories of services by 3% except for hospital, nursing home, and pharmacy services.	\$ 60.7	\$ 23.6	\$ -	\$ -	\$ -	
27		Require prior authorization of prescriptions for non-perferred drugs where previously the prescription was considered grandfathered for supplemental drug rebate implementation.	\$ 25.5	\$ -	\$ 9.8	\$ 9.9	\$ -	
28	11	Reimburse ambulatory surgical services provided in outpatient hospital settings based on two times the rates paid to ambulatory surgical centers.	\$ 39.4	\$ -	\$ 14.8	\$ 14.8	\$ 14.8	
29		Reduce reimbursement for all categories of services by 5% except for hospital, nursing home, and pharmacy services.	\$ 106.5	\$ -	\$ 41.5	\$ 40.2	\$ -	
subtotal Price				\$ 70.1	\$ 120.3	\$ 119.3	\$ 43.4	

Department of Community Health  
Proposed Reductions to Medicaid and PeachCare for Kids  
FY2006

Gov				FY2006				Governor
#	#	Item	Total Funds	@105%	@100%	@97%	Recommended	
<b>Cost Settlements</b>								
30	Base	Complete prior year cost settlements for outpatient hospital services. <b>Yes - Reduces benefit base (\$39.1 million)</b>	\$ 101.6	\$ 39.1	\$ 39.1	\$ 39.2	Base - #4	
31	3	Reimburse outpatient hospital services based on interim rates set to 85.6% of cost.	\$ 50.9	\$ 19.6	\$ 19.6	\$ 19.7	\$ 19.7	
subtotal Cost Settlement				\$ 58.7	\$ 58.7	\$ 58.9	\$ 19.7	
<b>Scope</b>								
32	6	Require prior authorization for prescription drugs where an equivalent over the counter drug is available.	\$ 15.0	\$ 5.9	\$ 5.9	\$ 5.9	\$ 5.8	
33		End coverage for preventative maintenance drugs for members who elect hospice care.	\$ 5.5	\$ 2.2	\$ 2.2	\$ 2.2	-	
34		Eliminate optional adult dental services.	\$ 18.3	\$ 7.9	\$ 7.8	\$ 7.2	-	
35		Eliminate optional adult orthotics and prosthetics.	\$ 3.9	\$ 1.5	\$ 1.5	\$ 1.5	-	
36		Eliminate optional adult podiatry services.	\$ 2.9	\$ 1.1	\$ 1.1	\$ 1.1	-	
37	4	Change the PeachCare for Kids program to provide the same scope of services as the State Health Benefit Plan. <b>Governor - Implement Texas Dental Model.</b>	\$ 69.2	\$ -	\$ 19.0	\$ 19.1	Yes - cut incl. In base.	
38		Eliminate non-emergency transportation for adults.	\$ -	\$ -	\$ -	\$ -	-	
39		Eliminate emergency ambulance services for adults.	\$ -	\$ -	\$ -	\$ -	-	
40		Eliminate the hospice program.	\$ 26.3	\$ -	\$ -	\$ 10.4	-	
subtotal Scope				\$ 18.6	\$ 37.5	\$ 47.4	\$ 5.8	
<b>Eligibility</b>								
41	Base	Strictly enforce income requirements for participation in the PeachCare for Kids program. <b>Yes - Reduce base (\$3.5)</b>	\$ 12.5	\$ 3.5	\$ 3.5	\$ 3.5	Base - #5	
42	Base	Ensure level of care requirements are met for all long term care programs where applicable. <b>Yes - Reduce base (\$2.4)</b>	\$ 6.0	\$ 2.4	\$ 2.4	\$ 2.4	Base - #6	
43	Base	Perform clinical reviews to validate demand for emergency medical assistance for undocumented aliens. <b>Yes - Reduce base (\$3.0)</b>	\$ 7.6	\$ 3.0	\$ 3.0	\$ 3.0	Base - #7	
44		Verify continuation of active cancer treatment for women in the breast and cervical cancer program.	\$ 3.6	\$ 1.0	\$ 1.0	\$ 1.0	-	
45	Base	Reflect a FY 2005 change made to consider promissory notes as income in nursing home eligibility determination. <b>Yes - Reduce base (\$631,040).</b>	\$ 1.6	\$ 0.6	\$ 0.6	\$ 0.6	Base - #8	
46		Limit PeachCare for Kids enrollment in January 05.	\$ 10.2	\$ -	\$ 2.8	\$ 2.8	-	
47		Eliminate presumptive eligibility for pregnant women.	\$ -	\$ -	\$ -	\$ -	-	
48		Restrict coverage to 185% of the federal poverty level for pregnant women and children; no spenddown allowed.	\$ 12.5	\$ -	\$ -	\$ 4.9	-	
49		Restrict coverage to 185% of the federal poverty level for PeachCare for Kids. <b>Law change for Board to set eligibility standards.</b>	\$ 26.7	\$ -	\$ 7.4	\$ 7.4	-	
50		Eliminate spenddown programs for non-categorical members who have incomes over the Medicaid income limits.	\$ 82.7	\$ -	\$ -	\$ 32.6	-	
51		Reduce coverage for aged, blind, and disabled members with incomes greater than two-times SSI.	\$ 62.6	\$ -	\$ -	\$ 25.0	-	
52		Eliminate the breast and cervical cancer program.	\$ 21.8	\$ -	\$ -	\$ 6.0	-	
subtotal Eligibility				\$ 10.5	\$ 20.7	\$ 89.2	-	
<b>Administration</b>								
53	25	Consolidate population-based programs to more appropriately align agency business functions.	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	
54	26	Transfer funding for the Marcus Institute to the Department of Human Resources.	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	
55	27	Eliminate funding for the Folic Acid initiative.	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	
56		Eliminate funding for the Georgia Partnership for Caring.	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	-	
57		Eliminate funding for the Georgia Rural Health Association (\$30K). <b>Governor recommends -- NO</b>	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	-	
subtotal Administration				\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.7	
Total *** See Governor's Yes -- Reduce from Base Items				\$ 184.7	\$ 269.2	\$ 348.3	\$ 90.1	
Target				\$ 182.1	\$ 279.1	\$ 337.2	\$ 279.1	
Surplus/(Deficit)				\$ 2.6	\$ (9.9)	\$ 11.1	\$ (189.0)	
Adjustments for Governor's Yes to Base Benefits							\$ 58.2	
Governor increase in rates for Nursing Homes (\$4.3 mil) and Ambulance (\$1.1mil)							\$ (5.4)	
Total Governor's Recommended Reductions							\$ 142.9	
Surplus/ (Deficit) ** State fund increase for DCH							\$ (136.2)	

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Reimburse outpatient hospital services based on interim rates set to 85.6% of cost.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 50,942,603</b>
<b>State:</b>	<b>\$ 19,663,855</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : Pay 88% of operating costs for most hospitals (excluding critical access hospitals, state owned hospitals, and historically minority owned)

Proposed: Pay 85.6% of operating costs for most hospitals (excluding critical access hospitals, state owned hospitals, and historically minority owned)

Last Change: In July 2004 decreased rate to 88%.

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	55.4%	411,722
MF Children	57.3%	27,095
Disabled	66.4%	133,362
Elderly	46.1%	53,570
Adults	99.8%	171,815
PeachCare	43.4%	82,953
Total Members	59.9%	880,517

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► N/A

**Department of Community Health  
FY2006 Budget Reduction Proposal**

**Item:** Change the PeachCare for Kids Dental program to model the same scope of services as the Texas Dental CHIP program.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>

<b>% Reduction</b>	<b>N/A</b>
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**Part I: Methodology/Rationale**

Current: PeachCare benefit package is the same as Medicaid.

Proposed: Model PeachCare benefit package after the Texas CHIP dental plan.

Last Change: N/A

**Part II: Member Impact**

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	0.0%	-
MF Children	0.0%	-
Disabled	0.0%	-
Elderly	0.0%	-
Adults	0.0%	-
PeachCare	100.0%	191,030
<b>Total Members</b>	<b>13.0%</b>	<b>191,030</b>

**Part III: Benefit Revisions**

Dental Service Type	Example Services	Current PCK Plan	Proposed PCK Plan
Adjunctive Services	emergency treatment, hospital call, behavior management	<input checked="" type="checkbox"/>	not covered
Diagnostic Services	oral evaluations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Endodontic Services	root canals	<input checked="" type="checkbox"/>	limited to routine procedures
Oral Surgery Services	extractions, excisions, incisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Orthodontic Services	braces	<input checked="" type="checkbox"/>	not covered
Periodontal Services	gingivoplasty, periodontal scaling for bone loss	<input checked="" type="checkbox"/>	limited to routine procedures
Preventive Services	cleaning (prophylaxis), fluoride, sealants, space management	<input checked="" type="checkbox"/>	limited to routine procedures
Prosthodontic Services	dentures	<input checked="" type="checkbox"/>	not covered
Radiograph Services	x-rays	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Restorative Services	fillings, crowns, surface	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**Part IV: State Comparison**

- ▶ Alabama - State Medicaid benefit package
- ▶ Florida - MediKids is Medicaid look-alike and Healthy Kids is Commercial Benefit plan with Dental included
- ▶ Kentucky - State Employee benefit plan with additional services that bring it almost to Medicaid level without EPSDT and NET
- ▶ Mississippi - State Employee benefit plan with Dental included
- ▶ North Carolina - State Employee benefit plan with Dental included
- ▶ South Carolina - State Medicaid benefit plan

**Part V: Administrative Requirements**

- ▶ Requires legislative approval
- ▶ Requires a State Plan amendment
- ▶ Will require major claims system changes

## Department of Community Health

## FY2006 Budget Reduction Proposal

**Item:** Implement disease and case management to improve medical management for the aged, blind, and disabled (ABD) populations.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 39,324,327</b>
<b>State:</b>	<b>\$ 15,509,515</b>
<b>% Reduction*</b>	<b>3.8%</b>

\* Based on reduction of annual chronic disease expense

## Part I - Methodology/Rationale

Current : No comprehensive disease management programs are currently in place for Medicaid members.

DCH contracts case management services for high cost members in the SOURCE program.

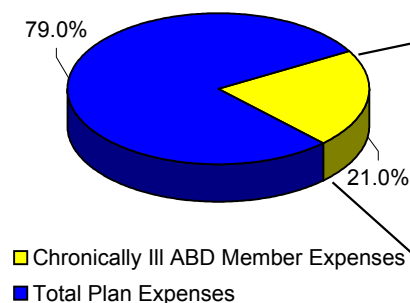
Proposed: To implement a disease and case management program for chronically ill ABD members, in order to decrease inappropriate utilization of services and improve member outcomes and quality of care.

Last Change: DCH has worked with area health education centers (AHEC) to disseminate best practice guidelines for the treatment of pediatric asthma; focusing on several counties in southwest Georgia.

## Part II - Member Impact

Sub - Program	Members Impacted	
	Percent	Total
Children	0.0%	
MF Children	8.8%	4,146
Disabled	30.6%	61,440
Elderly	23.7%	27,580
Adults	0.0%	
PeachCare	0.0%	
Total Members	6.3%	93,166

## Part III - Chronically Ill ABD Members Percent of Total Plan Costs



Disease	Members	Expenses
CHF	12,976	\$202,196,096
Diabetes	26,537	\$312,919,660
CAD	8,955	\$99,057,242
Hypertension	30,082	\$270,674,129
COPD	8,539	\$90,406,168
Asthma	6,077	\$54,079,640
Total	93,166	\$1,029,332,934
% of Total Plan	6.3%	21.0%

**Note:** Above members have one or more of the following chronic conditions: congestive heart failure (CHF), diabetes, coronary artery disease (CAD), hypertension, chronic obstructive pulmonary disease (COPD), and asthma.

## Part IV - State Comparison

Disease management (DM) has been steadily growing in popularity among state Medicaid programs due to its potential to control costs while not restricting member access to care. The Centers for Medicare & Medicaid Services (CMS) urged states to adopt disease management programs in a February 2004 letter to Medicaid directors. Currently, at least 21 states have a DM program in place, while several others are in the process of development.

There are three major DM models:

- Pay individual providers (PIP)...DCH would contract with individual providers to perform DM services, and create a new category of service for billing.
- Enhanced primary care case management...DCH would pay PCCM providers an enhanced case management fee for providing DM services, in addition to their regular fee for service (FFS) reimbursement.
- Contract with a disease management organization...DCH would outsource DM to a "DMO" who typically puts their administrative fees at risk and guarantees a percentage in savings. DMOs make contact with eligible members and coordinate with care providers to ensure that evidence-based medicine is being employed and that chronically ill members understand what they need to do to improve their health and better manage their disease(s).

State	**Model	Scope
FL	DMO	CHF, diabetes, HIV/AIDS, end stage renal disease (ESRD), hemophilia; also have pharmacy-based DM for CHF, diabetes, hypertension and asthma
MS	DMO	diabetes, hypertension, asthma
NC	E-PCCM	CHF, diabetes, asthma, attention deficit hyperactivity disorder
*TN	DMO	CHF, diabetes, CAD, COPD, asthma
WV	PIP	diabetes
WA	DMO	CHF, diabetes, asthma, ESRD
TX	DMO	CHF, diabetes, CAD, COPD and asthma
*OH	E-PCCM	CHF, diabetes, CAD, hypertension, COPD, asthma
*WY	DMO	multiple disease states (to be determined upon RFP award)

\*Indicates state that is targeting DM efforts on similar member populations

\*\*Corresponds to one of the three models described above

## Part V - Administrative Requirements

- Requires State Plan Amendment
- Requires CMS Approval
- Requires significant Administrative costs; savings are reflective of Administrative fees

## Department of Community Health

## FY2006 Budget Reduction Proposal

**Item:** Require prior authorization for prescription drugs where an equivalent over-the-counter drug is available.

<b>Effective Date:</b>	<b>4/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 15,000,000</b>
<b>State:</b>	<b>\$ 5,820,055</b>
<b>% Reduction</b>	<b>1.1%</b>

## Part I - Methodology/Rationale

**Current :** Omeprazole 20mg (Proton Pump Inhibitor-PPI or GERD (Gastroesophageal Reflux Disease) medications) and Loratadine (Non-Sedating Antihistamine-NSA or allergy medications) are available in both OTC and prescription-only versions. These products have the same potency and efficacy. The current State Plan does not allow OTC coverage for either drug class.

**Proposed:** Move OTC omeprazole to coverage with a preferred copayment in addition to the current preferred agents and incorporate OTC omeprazole into the stepped edit approach when the supplemental bids for this class (Proton Pump Inhibitors) are up for review in December 2004, with an effective date of April 2005. Implement a stepped therapy approach for non-sedating antihistamine class drugs.

Last Change: N/A

## Part II - Member Impact - Pharmacy Services

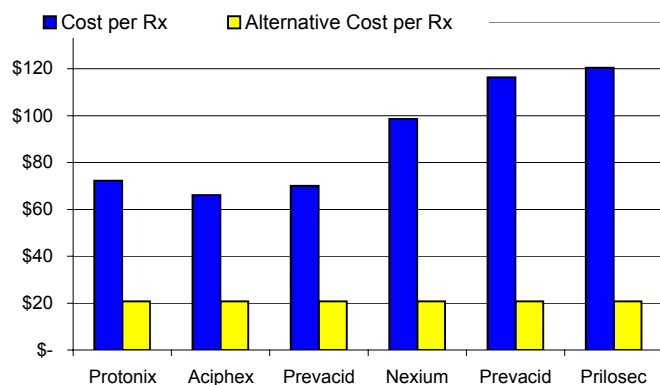
Sub - Program	Members Utilizing Service	
	Percent	Total
Children	97.6%	725,430
MF Children	87.2%	41,184
Disabled	81.7%	164,133
Elderly	65.0%	75,500
Adults	100.0%	172,160
PeachCare	95.3%	182,043
Total Members	92.5%	1,360,450

## Part III - Member Utilization

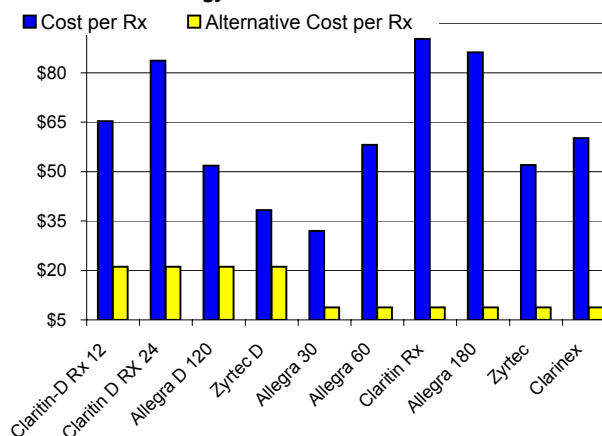
Sub - Program	PPI Utilization		NSA Utilization	
	Patients	Expenditures	Patients	Expenditures
Children	3,620	\$1,017,438	112,137	\$8,934,505
MF Children	353	\$135,996	1,224	\$155,781
Disabled	24,426	\$15,095,060	21,052	\$1,880,486
Elderly	8,092	\$4,920,700	3,672	\$255,738
Adults	6,040	\$2,149,683	12,489	\$723,455
PeachCare	1,304	\$441,987	40,538	\$4,187,944
Total Members	43,835	\$23,760,864	191,112	\$16,137,908

## Part IV - Prescription Cost

## GERD Products



## Allergy Products



## Part V - State Comparisons

► N/A

## Part VI - Administrative Requirements

► Requires State Plan Amendment

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Require prior authorizations for high cost radiology services, excluding services performed in relation to an ER visit or an inpatient admission.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 7,641,365</b>
<b>State:</b>	<b>\$ 2,973,694</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

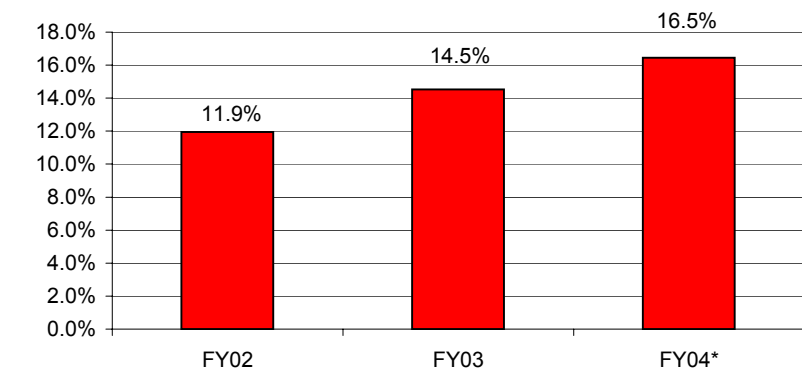
Current : No prior authorization required

Proposed: Prior authorization required

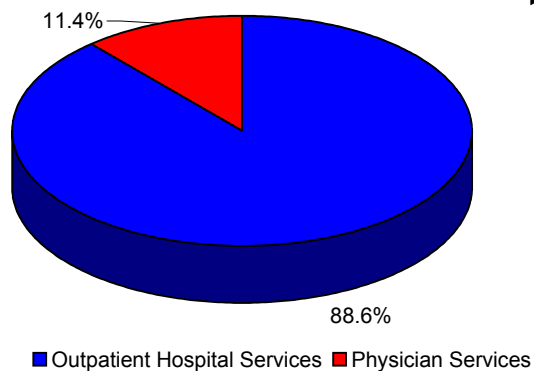
Last Change: N/A

**Part II - Member Impact**

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	20.6%	153,161
MF Children	6.0%	2,833
Disabled	51.5%	103,497
Elderly	47.6%	55,260
Adults	48.0%	82,643
PeachCare	18.3%	34,911
Total Members	29.4%	432,305

**Part III - Radiology Growth Rate by Fiscal Year**

\* Annualized

**Part IV - Expenditures by Place of Service****Part V - State Comparison**

► N/A

**Part VI - Administrative Requirements**

- Requires State Plan Amendment
- Would require significant system changes
- Administrative fees required



**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Expand the emergency room utilization control pilot program to additional hospitals.

<b>Effective Date:</b>	<b>1/1/2004</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 5,094,244</b>
<b>State:</b>	<b>\$ 1,982,363</b>
<b>% Reduction*</b>	<b>0.7%</b>

\*Based on reduction of OP hospital

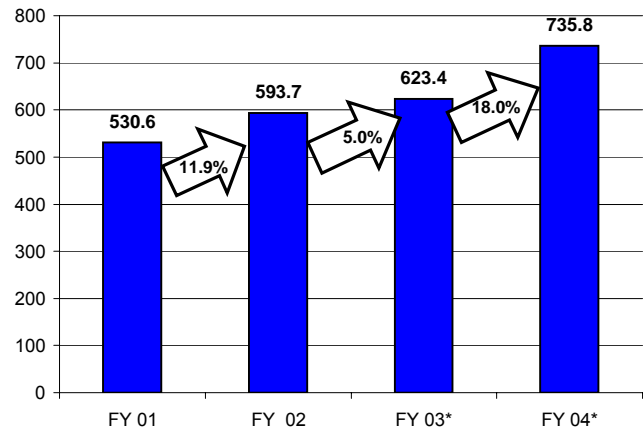
**Part I - Description of Service**

- ▶ In CY 2002, the Department of Community Health paid \$90.9 million in claims for emergency room services for members with 3 or more visits to the ER within a year.
- ▶ DCH has implemented a targeted case management program primarily targeting members with 3 or more visits to the ER within a year, but will also provide intervention for other ER users who may be utilizing the ER inappropriately.
- ▶ DCH is modeling its case management program after the existing efforts of Memorial Hospital in Savannah. The department has begun this effort in three counties on a pilot basis: Chatham, Floyd, and Hall counties.
- ▶ Each hospital has a care coordinator to assess the need for intervention for Medicaid users of the ER. Intervention will include face-to-face counseling and possible referral to the member's primary care physician or other case management programs available for specific diseases or conditions (e.g., Asthma).
- ▶ This is an interim effort to control the expenses related to high utilizers of the ER, pending more systemic Medicaid reform.

**Part II - Member Profile of Use\***

<b>Members</b>	<b># ER Visits</b>	<b># Visits per Member</b>
Children	488,693	0.66
MF Children	35,939	0.76
Disabled	237,456	1.26
Elderly	59,157	0.65
Adults	198,275	1.15
PeachCare	77,766	0.41
<b>Total # Visits</b>	<b>1,097,286</b>	<b>0.77</b>

\* Based on CY 2003 data.

**Part III - ER Visits Rate/1,000 Eligibles**

\*Annualized

**Part IV - State Comparison**

- ▶ N/A

**Part V - Administrative Requirements**

- ▶ Requires a contractual arrangement with hospitals participating in the initiative
- ▶ Expenses are jointly shared between the health system and DCH
- ▶ A cost benefit study is currently underway

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Set a fixed expenditure cap for home and community based services provided in the Independent Care Waiver Program and redirect savings to add waiver slots.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : The state does not impose any per member per year expenditure caps for the Independent Care Waiver Program (ICWP).

Proposed: The state will set a \$50,000 annual per member expenditure cap for patients in the Independent Care Waiver Program.

Last Change: Five additional slots in the FY2005 budget.

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	0.000%	
MF Children	0.028%	13
Disabled	0.318%	640
Elderly	0.009%	10
Adults	0.000%	-
PeachCare	0.000%	-
Total Members*	0.045%	663

\*Represent ICWP population in CY2003

**Part III - Independent Care Waiver Utilization (ICWP)**

	<b>Net Payments</b>	<b>Members</b>	<b>Avg PMPY</b>	<b>Proposed Cap</b>
ICWP (All Members)	\$ 22,557,738	609	\$ 37,041	
ICWP (Members subject to cap)	\$ 8,445,469	116	\$ 72,806	\$ 50,000

\*FY2003 and FY2004 claims are not complete and will be reprocessed by 12/01/04

**Part IV - State Comparison**

- All southeastern border states offer a waiver program for members in the community with developmental disabilities, spinal cord, and traumatic brain injuries.

**Part V - Administrative Requirements**

- Requires CMS Waiver
- Requires System Changes

**Department of Community Health**  
**FY2006 Budget Reduction Proposal**

**Item:** Katie Beckett - Charge \$200 monthly premium  
to families with annual incomes greater than \$100,000

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

The Department of Community Health proposes to require a monthly premium of \$200 for families with annual incomes above \$100,000. Katie Beckett families have incomes that exceed the limits to qualify for Medicaid as well as Supplemental Security Income. The waiver allows these families to receive services that are not covered by private insurance, in an effort to reduce their out of pocket expenses. The premium projections listed below assume Georgia Katie Beckett members have an income distribution similar to those participating in Arkansas' TEFRA Waiver Model.

**Part II - Member Impact**

Annual Income Range		Members by Income Range		
Low	High	% in Income Range	FY 2005 Members	FY 2006 Members
\$	\$25,000	15.97%	997	957
\$25,001	\$50,000	45.75%	2,857	2,742
\$50,001	\$75,000	25.59%	1,598	1,534
\$75,001	\$100,000	7.93%	495	475
\$100,001	\$125,000	2.38%	149	143
\$125,001	\$150,000	0.68%	42	41
\$150,001	\$175,000	0.79%	49	47
\$175,001	\$200,000	0.34%	21	20
\$200,001	over	0.57%	36	34

Premium Projections	FY 2005	FY 2006
Annual Premium (\$200/month)	\$2,400	\$2,400
Kids/Families above \$100,000*	297	285
Annual Projected Premium Collection	\$713,296	\$684,764
State Funds	\$283,713	\$270,071

\*assumes 1 child per family

**Part III - Financial Data**

Measure	FY 2002	FY 2003	Projected FY 2004	Projected FY 2005	Projected FY 2006
# of Eligibles	4,624	5,570	6,244	6,244	5,993
Net Payments	\$30,558,495	\$36,083,430	\$39,607,792	\$40,645,959	\$40,171,842
Cost Per Member Per Month	\$551	\$540	\$529	\$542	\$559

**Department of Community Health**

**FY2006 Budget Reduction Proposal**

**Item:** Reimburse ambulatory surgery services provided in an outpatient hospital setting based on two times the rate paid to ambulatory surgical centers.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 39,400,000</b>
<b>State:</b>	<b>\$ 14,757,166</b>
<b>% Reduction*</b>	<b>5.3%</b>

\*Based on reduction of OP hospital

**Part I - Methodology/Rationale**

Current : Cost to charge ratio.

Proposed: Fixed fee per procedure.

Last Change: July 1, 2004 - cost to charge ratio changed from 90% to 85.6%.

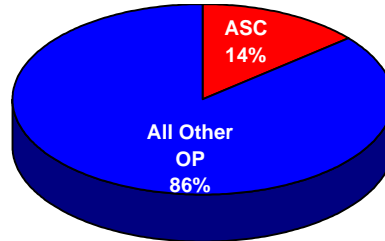
**Part II - Member Impact**

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	2.3%	17,431
MF Children	2.4%	1,147
Disabled	2.8%	5,646
Elderly	2.0%	2,268
Adults	4.2%	7,274
PeachCare	1.8%	3,512
Total Members	2.5%	37,278

**Part III - Analysis of Outpatient Payments**

DCH compared rates for ambulatory surgery services when those surgeries were performed in an outpatient hospital setting compared to the rates paid for the same services in an ambulatory surgical center.

**% of Allowed Charges**



**Average Allowed per Procedure**

Provider	Avg Allowed
Outpatient	\$ 1,856
Ambulatory Surgical Center	487

**Part IV - Most Common Units Utilized**

Procedure Description	Avg Allowed Amt		Proposed Rate	% of Total by Procedure
	Outpatient Hospital	Ambulatory Surgical Center		
Create Eardrum Opening	\$ 1,260	\$ 544	\$ 1,069	6.9%
Remove Tonsils and Adenoids	\$ 1,775	\$ 512	\$ 1,069	7.3%
Upper GI Endoscopy, Biopsy	\$ 1,196	\$ 420	\$ 936	3.9%
Inject Spine L/S	\$ 544	\$ 284	\$ 544	0.9%
Laparoscopy, Tubal Cautery	\$ 2,294	\$ 366	\$ 1,069	3.5%
Diagnostic Colonoscopy	\$ 853	\$ 422	\$ 853	1.2%
Removal of Adenoids	\$ 1,661	\$ 451	\$ 1,322	1.8%
Circumcision (not newborn)	\$ 1,957	\$ 292	\$ 936	2.0%
Cataract Surg w IOL, 1 Stage	\$ 2,400	\$ 918	\$ 1,725	2.1%
Change Gastrostomy Tube	\$ 384	\$ 292	\$ 384	0.3%
% of Total				29.9%

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Reimburse ambulatory surgery services provided in an outpatient hospital setting based on two times the rate paid to ambulatory surgical centers.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 39,400,000</b>
<b>State:</b>	<b>\$ 14,757,166</b>
<b>% Reduction*</b>	<b>5.3%</b>

\*Based on reduction of OP hospital

**Part V - State Comparison**

- ▶ Reimbursement Methodology of Southeastern States:
- ▶ Mississippi - All outpatient hospital reimbursed at a percent of charges.
- ▶ Florida - All outpatient hospitals reimbursed on a per diem rate for each hospital.
- ▶ Tennessee - All outpatient hospital reimbursement based on the Medicare rates.
- ▶ Alabama - Outpatient surgical services on the ASC procedure list are reimbursed on a global rate for the entire claim.

**Part VI - Administrative Requirements**

- ▶ Requires State Plan Amendment
- ▶ Significant system changes

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Reduce the cap applied to outpatient hospital reimbursement (based on the average inpatient payment per claim.)

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 6,622,517</b>
<b>State:</b>	<b>\$ 2,556,301</b>
<b>% Reduction</b>	<b>0.9%</b>

**Part I - Methodology/Rationale**

Current : Reimbursement cannot exceed the average Diagnosis Related Group (DRG) case reimbursement.

Proposed: Reimbursement cannot exceed 85.6% of the average DRG case reimbursement.

Last Change: The rate changed for inpatient hospital in July 2002.

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	55.4%	411,722
MF Children	57.3%	27,095
Disabled	66.4%	133,362
Elderly	46.1%	53,570
Adults	99.8%	171,815
PeachCare	43.4%	82,953
Total Members	59.9%	880,517

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► N/A

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Reduce the percentage applied to supplemental outlier payments from 90% to 85.6% for inpatient hospital reimbursement.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 5,858,380</b>
<b>State:</b>	<b>\$ 2,296,506</b>
<b>% Reduction</b>	<b>0.4%</b>

**Part I - Methodology/Rationale**

Current : Pay 90% of operational costs of a claim for most hospitals (excluding specialty hospitals).

Proposed: Pay 85.6% of operational costs of a claim for all hospitals.

Last Change: Converted to 90% of operational costs as of July 1998.

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	12.3%	91,079
MF Children	10.6%	5,020
Disabled	21.0%	42,147
Elderly	19.2%	22,336
Adults	44.7%	76,985
PeachCare	1.7%	3,209
Total Members	16.4%	240,776

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► Requires ACS (claims payment system) and Georgia Medical Care Foundation to change procedures.

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Reduce facility fees paid for free-standing hospital-based clinics by basing reimbursement on two times the fixed amount of facility fees paid to physicians.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 4,075,395</b>
<b>State:</b>	<b>\$ 1,571,830</b>
<b>% Reduction</b>	<b>0.54%</b>

**Part I - Methodology/Rationale**

Current : The facility costs for hospital based clinics are paid on a cost to charge ratio compared to a fixed fee for physician based office visits.

Proposed: When a hospital bills for a clinic visit on an outpatient hospital claim, set payment at twice the fixed amount of facility fees paid to physicians.

Last Change: FY2005 decreased the outpatient cost to charge ratio from 90% to 85.6%.

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	55.4%	411,722
MF Children	57.3%	27,095
Disabled	66.4%	133,362
Elderly	46.1%	53,570
Adults	99.8%	171,815
PeachCare	43.4%	82,953
Total Members	59.9%	880,517

**Part III - State Comparison**

- ▶ Mississippi does not allow hospital-based clinics to bill facility fees on a UB-92 unless they are a teaching hospital with a resident-to-bed ratio of .25 or greater.
- ▶ Medicare is currently amending their hospital based physician clinic reimbursement methodology to align more closely with the rate paid for services rendered in free standing hospital based clinics.

**Part IV - Administrative Requirements**

- ▶ Requires Systems Change



**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Rebase DRG's and move to a more current grouper. Adjust to ensure budget neutrality.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : Using Champus (Tricare) Diagnosis Related Group (DRG) Grouper 16.

Proposed: Move to Champus (Tricare) DRG Grouper 22 and rebase the DRG weights for a January 2006 effective date.

Last Change: Rates were rebased in July 2002. The DRG grouper was updated in October 1999.

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	12.3%	91,079
MF Children	10.6%	5,020
Disabled	21.0%	42,147
Elderly	19.2%	22,336
Adults	44.7%	76,985
PeachCare	1.7%	3,209
Total Members	16.4%	240,776

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► Requires contract costs for consulting and technical assistance.

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Explore alternative reimbursement methodologies for outpatient hospital services.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : Pay percent of charges and cost settle at the end of the year.

Proposed: Explore different reimbursement options.

Last Change: N/A

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	55.4%	411,722
MF Children	57.3%	27,095
Disabled	66.4%	133,362
Elderly	46.1%	53,570
Adults	99.8%	171,815
PeachCare	43.4%	82,953
Total Members	59.9%	880,517

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► Requires contract costs for consulting and technical assistance.

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Reduce nursing home reimbursement by reducing the growth allowance to offset the reduction in expected nursing home provider fees.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 24,524,047</b>
<b>State:</b>	<b>\$ 9,628,141</b>
<b>% Reduction</b>	<b>2.4%</b>

**Part I - Methodology/Rationale**

Current : Use FY2002 cost reports to set rates with growth allowance of 6.16%

Proposed: Use FY2003 cost reports and reduce the growth allowance.

Last Change: N/A

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	0.0%	
MF Children	0.2%	117
Disabled	6.9%	13,900
Elderly	46.9%	54,449
Adults	0.0%	
PeachCare	0.0%	
Total Members	4.7%	68,466

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► N/A

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Require Medicare cost avoidance for nursing home care.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 858,795</b>
<b>State:</b>	<b>\$ 338,709</b>
<b>% Reduction</b>	<b>0.1%</b>

**Part I - Methodology/Rationale**

**Current :** There are several Long Term Care facilities that have not received Medicare certification and therefore are unable to bill Medicare for nursing home care expenses. In CY2003 many of these facilities had at least one dually eligible members that DCH could have cost avoided on.

**Proposed:** Require all Long Term Care facilities to become Medicare certified, thereby allowing Medicaid to cost avoid on Medicare eligible claims.

Last Change: N/A

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	0.0%	-
MF Children	0.0%	-
Disabled	0.0%	-
Elderly*	0.3%	354
Adults	0.0%	-
PeachCare	0.0%	-
Total Members	0.0%	354

\* Members who meet all Medicare qualifying criteria.

**Part III -To Qualify for Medicare Skilled Nursing Facility  
(all must be met)**

1. Have Medicare Part A and days left in the Medicare benefit period to use.
2. Have a qualifying hospital stay of 3 consecutive days or more and must enter SNF within 30 days of leaving the hospital.
3. Require skilled nursing or rehabilitation care as ordered by a physician.
4. Services must be provided in a Medicare-certified SNF.
5. The services needed are related to a condition treated during a qualifying 3-day hospital stay or Medicare-covered SNF care.

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

- Requires State Plan Amendment
- Requires Systems Change

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Utilize FY2003 cost reports to determine nursing home reimbursement.  
Adjust to ensure budget neutrality.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 10,921,334</b>
<b>State:</b>	<b>\$ 4,307,374</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : Using FY2002 cost reports to set provider rates.

Proposed: Use FY2003 cost reports to set provider rates.

Last Change: Began using FY2002 cost reports in July 2003.

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	0.0%	
MF Children	0.2%	117
Disabled	6.9%	13,900
Elderly	46.9%	54,449
Adults	0.0%	
PeachCare	0.0%	
Total Members	4.7%	68,466

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► N/A

## Department of Community Health

### FY2006 Budget Reduction Proposal

**Item:** Increase the average wholesale price (AWP) discount from 11% to 14% for injectibles provided through a physician's office.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 3,400,000</b>
<b>State:</b>	<b>\$ 1,319,212</b>
<b>% Reduction</b>	<b>0.2%</b>

### Part I - Methodology/Rationale

Current : AWP- 11%.

Proposed: AWP- 14%.

Last Change: Modified from AWP to AWP-11% in FY2005.

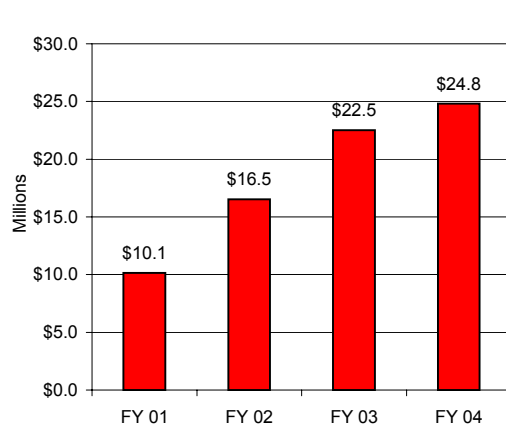
### Part II - Member Impact

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	97.6%	725,430
MF Children	87.2%	41,184
Disabled	81.7%	164,133
Elderly	65.0%	75,500
Adults	100.0%	172,160
PeachCare	95.3%	182,043
Total Members	92.5%	1,360,450

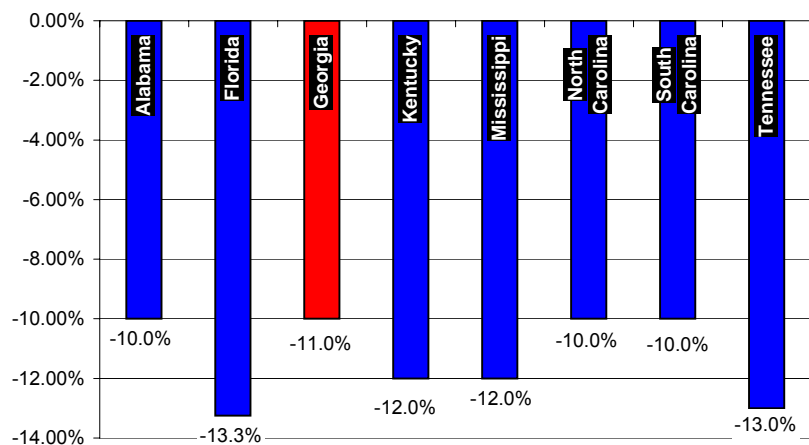
### Part III - Top 10 Utilized Procedures in FY 2004

CPT	Procedure	# Units
Q0136	Non ESRD Epoetin Alpha Inj	169,164
J0585	Botulinum Toxin A Per Unit	71,637
J1100	Dexamethasone Sodium Phos	70,902
J0696	Ceftriaxone Sodium Injection	65,373
J1626	Granisetron HCl Injection	21,220
J2405	Ondansetron HCl Injection	16,664
J9355	Trastuzumab	14,929
J1260	Dolasetron Mesylate	13,222
J3301	Triamcinolone Acetonide Inj	11,939
J0880	Darbepoetin Alfa Injection	10,986

### Part IV - Annual Trend



### Part V - State Comparison- Discount off Average Wholesale Price



### Part VI - Administrative Requirements

- Requires State Plan Amendment

## Department of Community Health

## FY2006 Budget Reduction Proposal

**Item:** Increase the average wholesale price (AWP) discount from 11% to 14% for injectibles provided through a physician's office.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 3,400,000</b>
<b>State:</b>	<b>\$ 1,319,212</b>
<b>% Reduction</b>	<b>0.2%</b>

## Part VII - Drug Reference Table (See Table III)

CPT	Procedure	Brand Example	Treatment of
Q0136	End Stage Renal Disease Epoetin Alpha Injection	Procrit, Epogen	Renal Disease
J0585	Botulinum Toxin A Per Unit	Botox	Muscle Disorder
J1100	Dexamethasone Sodium Phos	Deradon	Inflammation/Allergic response
J0696	Ceftriaxone Sodium Injection	Procephin	Antibiotic
J1626	Granisetron HCl Injection	Kytril	Nausea
J2405	Ondansetron HCl Injection	Zofran	Nausea
J9355	Trastuzumab	Herceptin	Breast Cancer
J1260	Dolasetron Mesylate	Anzemet	Post-Operative Nausea
J3301	Triamcinolone Acetonide Inj	Kenalog	Inflammation
J0880	Darbepoetin Alfa Injection	Aranesp	Anemia caused by Kidney Failure

## Department of Community Health

## FY2006 Budget Reduction Proposal

**Item:** Increase the average wholesale price (AWP) discount from 11% to 14% for pharmacy prescriptions.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 13,387,114</b>
<b>State:</b>	<b>\$ 5,194,248</b>
<b>% Reduction</b>	<b>1.0%</b>

## Part I - Methodology/Rationale

Current : AWP- 11% or favored nations, whichever is lower (note: favored nations pricing allows DCH to obtain the lowest discount extended by the pharmacy to any other insurer).

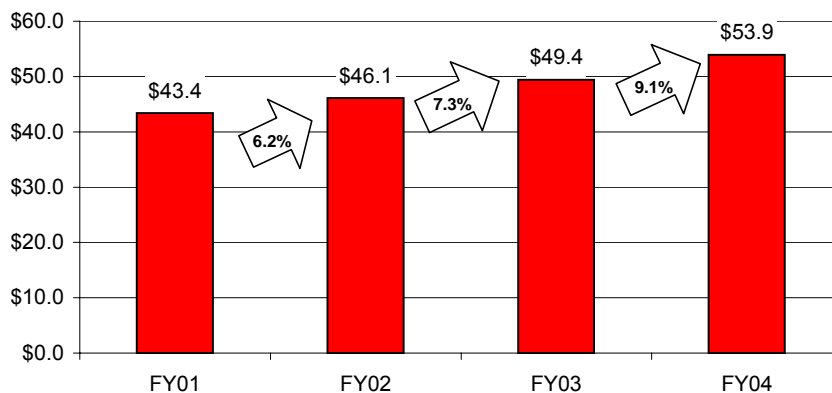
Proposed: AWP- 14% or favored nations, whichever is lower.

Last Change: Modified AWP from -10% to -11% in FY2005.

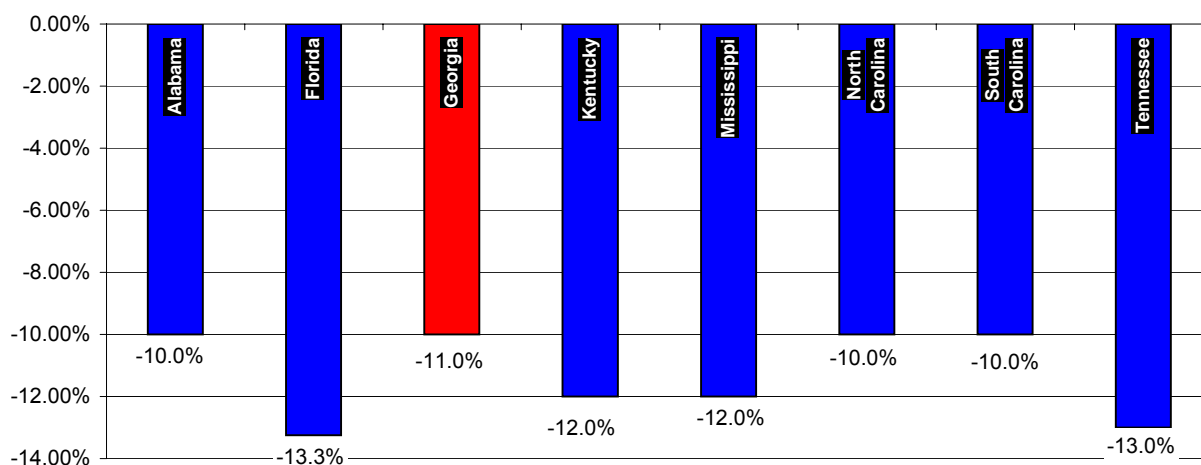
## Part II - Member Impact

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	97.6%	725,430
MF Children	87.2%	41,184
Disabled	81.7%	164,133
Elderly	65.0%	75,500
Adults	100.0%	172,160
PeachCare	95.3%	182,043
Total Members	92.5%	1,360,450

## Part III - Cost per Prescription



## Part IV - State Comparison - Discount off Average Wholesale Price



## Part V - Administrative Requirements

- Requires State Plan Amendment



**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Require minimum bids on discount off AMP (average manufacturer's price) for the next round of supplemental rebates.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 10,188,487</b>
<b>State:</b>	<b>\$ 3,954,273</b>
<b>% Reduction</b>	<b>0.7%</b>

**Part I - Methodology/Rationale**

Current : The current discount off AMP from both CMS and Supplemental rebates amounts to approximately 20%.

Proposed: This proposal calls for the requirement of a minimum discount off AMP of 29.1% for any manufacturer's product to be evaluated for PDL placement without being subject to a prior authorization.

Last Change: N/A

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	97.6%	725,430
MF Children	87.2%	41,184
Disabled	81.7%	164,133
Elderly	65.0%	75,500
Adults	100.0%	172,160
PeachCare	95.3%	182,043
Total Members	92.5%	1,360,450

**Part III - Supplemental Rebates Product Categories**

<b>Product Categories on Supplemental Rebates</b>	
Dihydropyridine Calcium Channel Blockers	Bone Ossification Agents
Proton Pump Inhibitors	Cox II's
Beta - Adrenergic Agents: Nebs	Ace Inhibitors
Statins	Ace Inhibitors With Diuretics
Lipotropics: Cai	Atypical Antipsychotics
Nasal Steroids	Macrolides
Angiotensin Receptor Blockers	Quinolones
Angiotensin Receptor Blockers & Diuretics	Cephalosporins
Nondihydropyridine Ccb'S	Erectile Dysfunction
Narcotics: Long Acting	Beta Blockers
Antihyperkinesis	Biguanide Combinations- Oral Antidiabetic
Inhaled Corticosteroids	Low Sedating Antihistamines
Nebulized Corticosteroids	Low Sedating Antihistamines/Decongestant Combinations
SSRI'S	New Generation Antidepressants
Insulins	Urinary Tract Antispasmodics

**Part IV - Business Case for Change**

While the supplemental rebate program has been very effective in obtaining supplemental rebates from manufacturers, the goal is to gain even greater rebate dollars in exchange for preferred drug list placement. Florida has taken a similar approach, and the 29.1% is similar to the requirement in Florida. Under this measure, manufacturers will be required to submit a minimum of 29.1% discount off AMP. Manufacturers who choose not to submit a bid of 29.1% off AMP will not be listed as a preferred product and the medication will be subject to a prior authorization. DCH will reserve the right to allow a lesser bid if exclusion of the medication from the preferred drug list would clearly increase total utilization of other more costly Medicaid health care resources (hospitalizations, ER visits, laboratory costs, etc.).

**Part V - State Comparison**

► N/A

**Part VI - Administrative Requirements**

► Requires State Plan Amendment

## Department of Community Health

## FY2006 Budget Reduction Proposal

**Item:** Require minimum bids on discount off AMP (average manufacturer's price) for the next round of supplemental rebates.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 10,188,487</b>
<b>State:</b>	<b>\$ 3,954,273</b>
<b>% Reduction</b>	<b>0.7%</b>

## Part VII - Drug Reference Table (See Table III)

Product Categories on Supplemental Rebates	Brand Example	Treatment of
Calcium Channel Blockers	Cardene, Cardizem CO, DynaCirc, Norvasc, Plendil	High Blood Pressure (hypertension)
Proton Pump Inhibitors	Omeprazole, Esomeprazole, Lansoprazole, Aciphex, Prevacid,	Stomach Ulcers and Gastric Reflux Disease
Beta - Adrenergic Agents: Nebs	Xopenex, Duoneb	Asthma
Statins	Lipitor, Zocor, Pravachol	Cholesterol
Nasal Steroids	Flonase, Rhinocort Nasal Inhaler	Nasal and Sinus Disorders
Angiotensin Receptor Blockers: ARBs	Cozaar, Diovan, Avapro, Atacand, Micardis, Teveten, Benicar	High Blood Pressure (hypertension)
Angiotensin Receptor Blockers & Diuretics: ARBs Micardis HCl, Benican HCl	Hyzaar	High Blood Pressure (hypertension)
Narcotics: Long Acting	Avinza, Kadian, Oxycontin, Duragesic	Chronic Pain
Antihyperkinesia	Strattera	ADD/ADHD
Inhaled Corticosteroids	AeroBid, Asmacort, Beclovent, Pulmicort Respules, Qvar, Vanceril	Asthma
SSRI'S	Zoloft, Celexa, Paxil CR	Depression
Insulins	Novolin, Humulin, Lantus	Diabetes
Bone Ossification Agents	Fosamax, Actonel	Osteoporosis
Cox II's	Vioxx, Celebrex, Bextra	Arthritis/Inflammation
Ace Inhibitors	Mavac, Aceon	High Blood Pressure (hypertension)
Ace Inhibitors With Diuretics	Uniretic, Accuretic	High Blood Pressure (hypertension)
Atypical Antipsychotics	Zyprexa, Risperdal, Abilify, Seroquel	Mental Disorders
Macrolides	Zithromax, Biaxin	Antibiotic
Quinolones	Cipro, Floxin	Antibiotic
Cephalosporins	Ceclor, Cedax, Duricef, Omnicef, Vantin	Antibiotic
Erectile Dysfunction	Viagra, Levitra, Cialis	Male impotency
Beta Blockers	Levatol, Visken, Cartrol	High Blood Pressure (hypertension)
Oral Antidiabetic	Starlix, Avandia, Prandin	Diabetes
Low Sedating Antihistamines	Zyrtec, Clarinex	Allergy
Low Sedating Antihistamines/Decongestant Combinations	Zyrtec D - 12 Hours, Claritin-D	Allergy
New Generation Antidepressants	Effexor, Cymbalta	Depression
Urinary Tract Antispasmodics	Detrol LA, Ditropan XL	Overactive Bladder

## Department of Community Health

## FY2006 Budget Reduction Proposal

Item: Eliminate the dispensing fee incentive paid for dispensing generic drugs.

Effective Date:	7/1/2005
Funds	FY2006
Total:	\$ 4,839,531
State:	\$ 1,877,756
% Reduction	0.4%

## Part I - Methodology/Rationale

Current : DCH pays a \$0.50 dispensing fee incentive above and beyond the dispensing fee for branded medications.

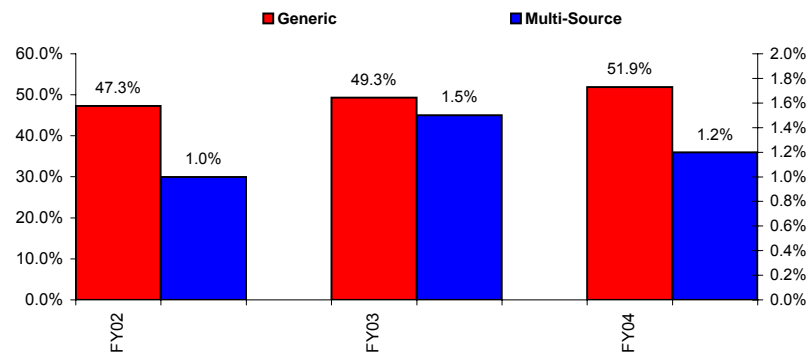
Proposed: Eliminate dispensing fee incentive.

Last Change: May, 2002.

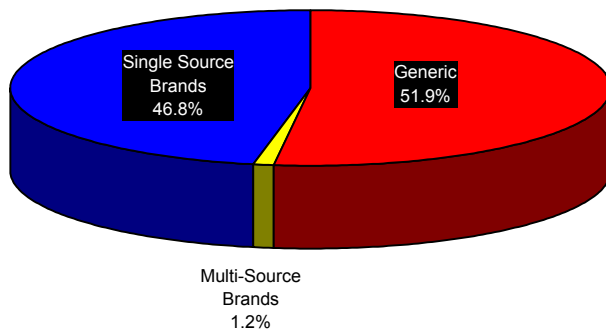
## Part II - Member Impact

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	97.6%	725,430
MF Children	87.2%	41,184
Disabled	81.7%	164,133
Elderly	65.0%	75,500
Adults	100.0%	172,160
PeachCare	95.3%	182,043
Total Members	92.5%	1,360,450

## Part III - % of Generic and Multi-Source Drugs Dispensed by Fiscal Year



## Part IV - Medicaid Prescriptions based on Drug Type



The payment of an additional fee as an incentive to a pharmacist to dispense a generic drug is no longer necessary to promote the use of generic drugs for the following reasons:

- Georgia has substantially expanded the use of the Maximum Allowable Cost (MAC) program over the past two years, making the dispensing of multi-source brands increasingly improbable. MAC sets a fixed cost, based on the lowest wholesale price for a drug, thereby making it unlikely a more expensive brand will be dispensed. Additionally, an increasing number of pharmacies are not stocking multi-source brands due to a higher inventory expense associated with these drugs. As a result, these pharmacies are much more likely to automatically dispense a generic drug because it is more likely to be in stock.

## Part V - Business Case for Change

- Prior to implementation of the generic dispensing fee incentive in May 2002, 48% of the claims were for generic drugs. As of June 2004, the generic dispensing rate was 51%. What movement has occurred is partly due to the subsequent availability of generics for highly utilized branded drugs (e.g. Prilosec). Within the last two years, four major brand drugs have converted to generic status as the drug's patent has expired: Claritin (allergy); Prilosec (anti-ulcer); Paxil (anti-depressant); and Prozac (anti-depressant). Given that the Medicaid program pays for a significant number of prescriptions of these drugs, their transfer to generic status has improved the percentage of generic drugs paid for by the Medicaid program. Additionally, DCH has an edit in place that will not allow a pharmacy to dispense a branded medication when a generic therapeutically equivalent (FDA A-rated) medication is available short of obtaining a prior authorization. Prior authorization requirements are very stringent.
- Nevertheless, any pharmacy that dispenses a generic medication receives the additional \$0.50 even if the physician wrote the prescription generically or the prescription allows the use of generics. Pharmacy providers are being given this "incentive" without regard to any level of action taken on the part of the pharmacist to switch a branded medication to a different medication that is available generically. There are no fields available through NCPDP and ESI claims processing systems to identify when a pharmacy providers claims to have called the physician and received an authorization to transfer medications from a brand to another medication available generically. Since the generic incentive fee has not been an effective tool to drive generic utilization, we are recommending its elimination.

## Part VI - State Comparison

- N/A

## Part VII - Administrative Requirements

- Requires State Plan Amendment

# Ambulance Service Rates

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Consolidate population-based programs to more appropriately align agency business functions.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 609,141</b>
<b>State:</b>	<b>\$ 362,248</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

**Current :** The Department of Community Health supports population-based healthcare through the operation of the Office of Minority Health, the Office of Women's Health, and the Commission on Men's Health. These entities are responsible for developing strategies, policies and programs including community outreach and public/private partnerships to create awareness of the benefits of regular check-ups for early detection, preventive screenings, healthy lifestyle practices and disease management, and to eliminate discrepancies in health status between minority and non-minority populations in Georgia.

**Proposed:** Consolidate all population-based programs to more appropriately align agency business functions and achieve administrative efficiencies. This includes the reduction of eight positions.

**Last Change:** The Office of Women's Health was created in 1999 at the same time DCH was established as a department. The Commission on Men's Health was created in 2000. The Office of Minority Health was established in 1996 as part of the Department of Human Resources, and was transferred to DCH when the department was created in 1999.

**Part II - Administrative Requirements**

► N/A

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Transfer funding for the Marcus Institute to the Department of Human Resources.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 150,000</b>
<b>State:</b>	<b>\$ 150,000</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

**Current :** The Department of Community Health was appropriated funds in the FY2005 budget to contract with the Marcus Institute. The Marcus Institute offers comprehensive diagnosis, therapy and care management for a wide range of disabilities and learning problems. The funds are used to support the operations of the Institute.

**Proposed:** Transfer funding to the Department of Human resources to appropriately align agency business functions. DHR currently has a contract with the Marcus Institute.

**Last Change:** Funding for the Marcus Institute was first appropriated to DCH in FY2005.

**Part II - Administrative Requirements**

► None

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Eliminate funding for the Folic Acid initiative.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>\$ 200,000</b>
<b>State:</b>	<b>\$ 200,000</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : The Georgia Folic Acid information awareness campaign is designed to increase the consumption of the vitamin folic acid prior to and during pregnancy to prevent birth defects. Information is targeted at women of childbearing age, primary care physicians, mid-level providers as well as working with the Family Health Branch of the DHR Division of Public Health.

Proposed: Eliminate funding for the program in the DCH budget. The program is not consistent with the agency's business functions.

Last Change:

**Part II - Administrative Requirements**

► N/A

## Department of Community Health

## FY2006 Budget Reduction Proposal

**Item:** Perform retrospective reviews on non-delivery related hospital admissions for children.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction*</b>	<b>N/A</b>

\*Based on reduction of Inpatient Hospital

## Part I - Methodology/Rationale

Current : No pre-certifications are required for hospital admissions for children.

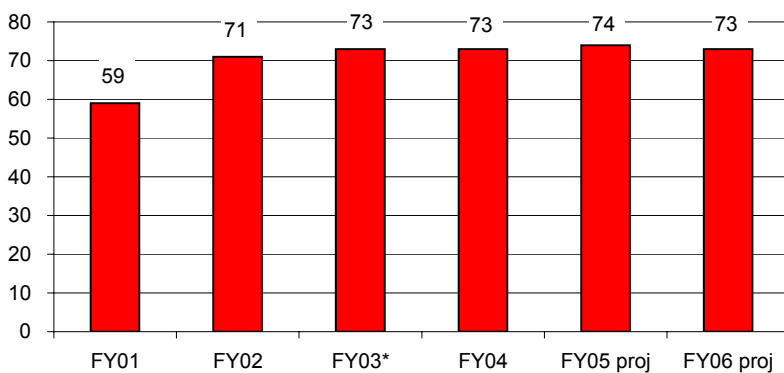
Proposed: Focused retrospective utilization review of physician admission patterns for all children (excluding newborns). Interqual criteria will be used for all retrospective reviews.

Last Change: DCH implemented a pre-certification requirement for adult hospital admissions in the early 1990's.

## Part II - Member Impact

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	6.5%	48,482
MF Children	13.9%	6,572
Disabled	0.0%	
Elderly	0.0%	
Adults	0.0%	
PeachCare	1.8%	3,497
Total Members	4.0%	58,551

## Part III - Admissions per 1,000 Children

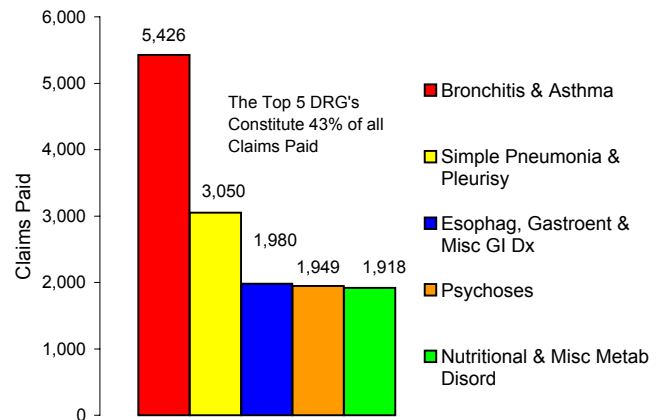
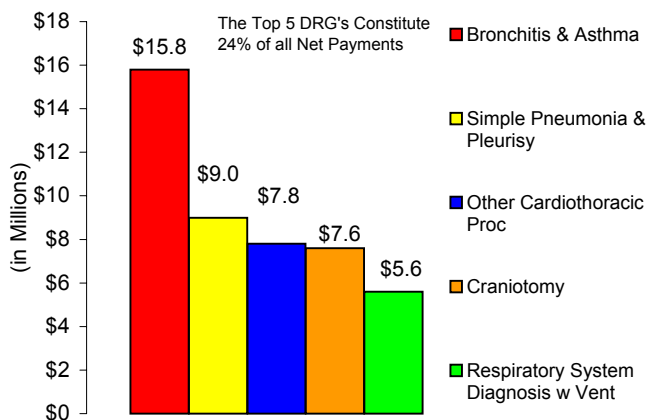


\*Avg. FY2003 Net Pay per Admission: \$5,603

\*\*FY2004 Total Claims Paid: 33,464; Total Net Payments: \$187,504,607

Notes: FY2003 and FY2004 claims are not complete and will be reprocessed by 12/01/04

## Part IV - 2004 DRGs by net payment and claims paid (excluding deliveries and newborns)



## Part V - State Comparison

- No other Southeastern states require pre-certification for hospital admissions for children. Retrospective review is unknown.

## Part VI - Administrative Requirements

- Requires Systems Change
- Staffing - 2 RN FTEs @ \$100,000; Total Funds = \$200,000



**FY2006 Budget Reduction Proposal**

**Item:** Strictly enforce orthodontic policies for children.

<b>Effective Date:</b>	<b>7/1/2004</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction*</b>	<b>N/A</b>

\* Based on reduction of the children's dental program.

**Part I - Methodology/Rationale**

Current : The state's pediatric dental program offers medically necessary orthodontic services for members with cleft palates and other dentofacial anomalies. The treatment includes one pre-visit and 24-36 additional visits for orthodontic care. Current orthodontic treatment approval rate is 100%.

Proposed: The state utilized a more stringent application and policy compliance form to ensure children had the correct diagnosis before obtaining orthodontic care. The Georgia Medical Care Foundation also applied a new set of clinical guidelines to use when performing reviews.

Last Change: N/A

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	43.5%	323,159
MF Children	37.8%	17,866
Disabled	0.0%	-
Elderly	0.0%	-
Adults	0.0%	-
PeachCare	67.8%	129,608
Total Members	32.0%	470,633

**Part III - Orthodontic Treatment Utilization**

<b>Fiscal Year</b>	<b># of Members</b>	<b>Payments</b>	<b>Avg Pay / Member</b>
FY2001	249	\$ 469,846	\$ 1,887
FY2002	914	\$ 1,809,664	\$ 1,980
FY2003	2,587	\$ 5,330,263	\$ 2,060
FY2004	3,289	\$ 6,888,667	\$ 2,094

\*FY2003 and FY2004 claims are not complete and will be reprocessed by 12/01/04

**Part IV - State Comparison**

- All southeastern border states cover pediatric orthodontic services with varying policies.

**Part V - Administrative Requirements**

- GMCF prior authorization staffing

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Pursue a more aggressive lock-in program for drugs subject to abuse.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : Patients identified by surveillance reviews are locked into a physician and pharmacy provider who are the exclusive providers for the patient.

Proposed: Implement a more aggressive approach to identify potential abusers and hire more Program Integrity staff to oversee the lock-in program.

Last Change: N/A

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	97.6%	725,430
MF Children	87.2%	41,184
Disabled	81.7%	164,133
Elderly	65.0%	75,500
Adults	100.0%	172,160
PeachCare	95.3%	182,043
Total Members	92.5%	1,360,450

**Part III - Drugs Most Frequently Abused:**

<b>Product Category</b>	<b>Brand Name</b>	<b>Treatment of</b>
Hydrocodone/APAP	Vicodine	Pain Relief
Carisoprodol	Soma	Relief of painful musculoskeletal conditions
Alprazolam	Xanax	Panic disorders
Diazepam	Valium	Anxiety disorders
Tylenol/Codeine	Tylenol/Codeine	Pain relief

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► Program Integrity will need to hire two full time employees: a pharmacist (salary: \$80,000) and a pharmacy technician (salary: \$25,000 to \$28,000).

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Complete prior year cost settlements for outpatient hospital services.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : Have been unable to complete cost settlements since fiscal agent system conversion.

Proposed: Catch up on one and a half year backlog of cost settlements during FY2006

Last Change: N/A

**Part II - Member Impact**

<b>Sub - Program</b>	<b>Members Utilizing Service</b>	
	<b>Percent</b>	<b>Total</b>
Children	55.4%	411,722
MF Children	57.3%	27,095
Disabled	66.4%	133,362
Elderly	46.1%	53,570
Adults	99.8%	171,815
PeachCare	43.4%	82,953
Total Members	59.9%	880,517

**Part IV - State Comparison**

► N/A

**Part V - Administrative Requirements**

► N/A

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Strictly enforce income requirements for participation in the PeachCare for Kids program.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I: Methodology/Rationale**

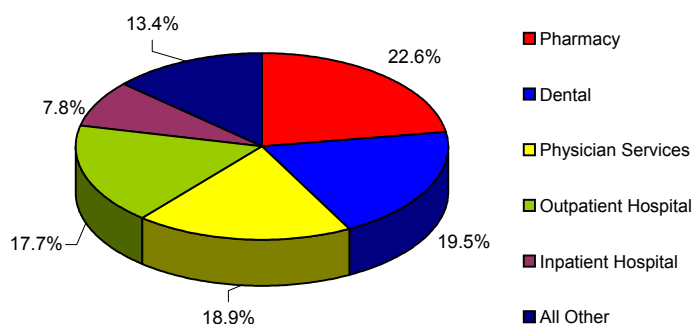
Current: Income verification is only performed when a PeachCare application comes in through DFCS caseworker.

Proposed: Increase efforts to validate PeachCare applicant income.

Last Change: N/A

**Part II: Proposal Description**

- Option A:** Perform data matching audits, using comprehensive income verification, on a monthly basis for a sample or entire population. Require follow up with documentation on discrepant cases
- Option B:** Perform data matching via DOL or private vendor wage data on every PeachCare application received by PSI/DHACS and/or DFCS
- Option C:** Require documentation of income (i.e. paycheck stubs) from all new and renewing applicants

**Part III - Most Common Services Utilized by Net Payment****Part IV: State Comparison**

<i>State</i>	<i>Type of Income Verification</i>
▶ Alabama	income documentation
▶ Florida	income documentation
▶ Kentucky	income documentation
▶ Mississippi	self-declaration with wage data matching
▶ North Carolina	income documentation
▶ South Carolina	income documentation
▶ Tennessee	income documentation

**Part V: Administrative Requirements**

- ▶ Would potentially require state plan amendment
- ▶ Would require PeachCare enrollment system programming changes
- ▶ Options A & B would require some additional staff (either DCH or PSI) to perform follow up functions on applicants with discrepant incomes
- ▶ Option C would require a significant increase in additional staff (PSI) to perform eligibility determination and follow up functions

**Department of Community Health**  
**FY2006 Budget Reduction Proposal**

**Item:**

Ensure level of care requirements are met for all long term care programs.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : Nursing home level of care is determined by multiple entities and may not be uniformly applied.

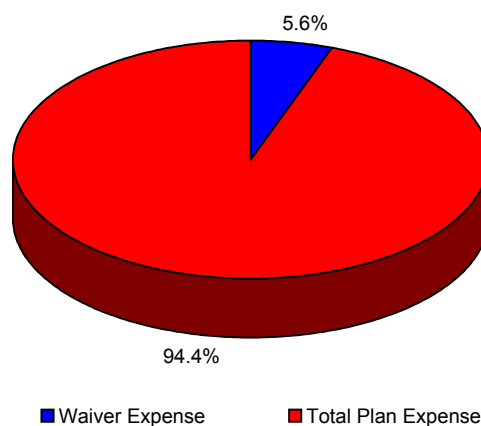
Proposed: Ensure all entities determining level of care uniformly apply level of care requirements.

Last Change: N/A

**Part II - Member Impact**

Sub - Program	Members Utilizing Service	
	Percent	Total
Children	0.0%	-
MF Children	14.1%	6,677
Disabled	1.7%	3,378
Elderly	4.9%	5,727
Adults	0.0%	-
PeachCare	0.0%	-
Total Members	1.1%	15,782

**Part III - Waiver Expense as a Percent of Total Expense**



Note: For some eligibles, meeting level of care criteria qualifies the member for Medicaid, whereas they would have not otherwise been eligible.

**Part IV - State Comparison**

- All states are required to follow Code of Federal Regulations (CFR) when assessing members for institutional or institutional-related care.

**Part V- Administrative Requirments**

- N/A

## Department of Community Health

## FY2006 Budget Reduction Proposal

**Item:** Perform clinical reviews to validate demand for emergency medical assistance for undocumented aliens.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

## Part I - Methodology/Rationale

Current : Undocumented aliens are seen by providers who submit a DMA Form 526 to the Department of Family and Children Services authorizing length of eligibility under the emergency medical assistance program. Length of eligibility can be up to three months and after that, another Form 526 must be submitted to renew eligibility. During the eligibility span, a member may receive any covered services.

Proposed: Perform clinical reviews to validate demand for emergency medical assistance for undocumented aliens.

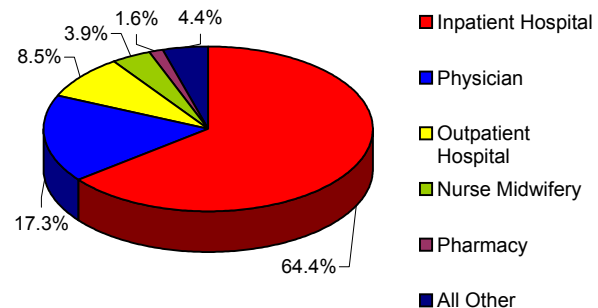
Last Change: N/A

## Part II - Member Impact

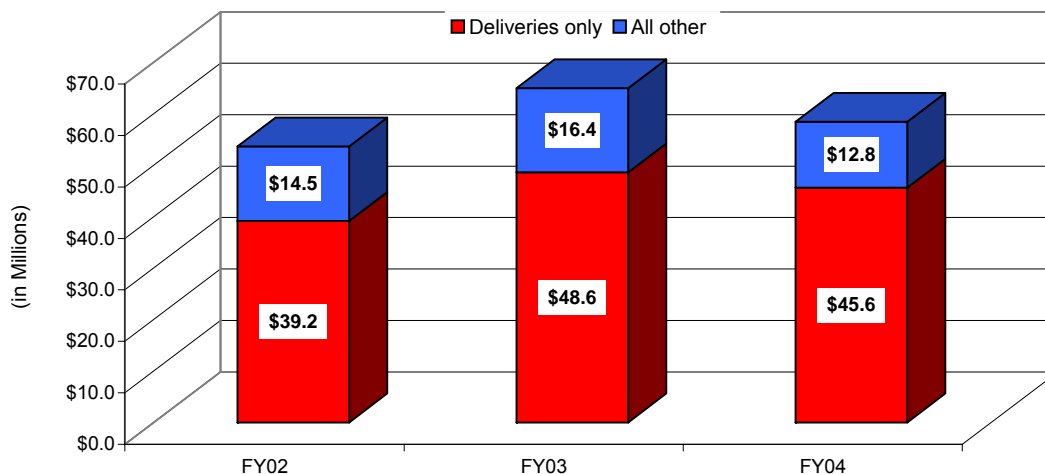
Sub - Program	Members Utilizing Service	
	Percent	Total
Children	0.3%	2,405
MF Children	0.0%	7
Disabled	0.2%	444
Elderly	0.4%	475
Adults	11.4%	19,546
PeachCare	0.0%	-
Total Members *	1.4%	21,047

\* Total members represents average monthly eligibles. Eligibility is determined monthly and thus the unique count of patients in a year can be greater than the average monthly enrollment.

## Part III - Most Common Services by Net Payment



## Part IV - Emergency Medical Assistance Expenditures by Diagnosis Related Group



## Part V - State Comparison

► N/A

## Part VI - Administrative Requirements

► Requires State Plan Amendment

**Department of Community Health****FY2006 Budget Reduction Proposal**

**Item:** Reflect an FY2005 change made to consider promissory notes as income in NH eligibility determination.

<b>Effective Date:</b>	<b>7/1/2005</b>
<b>Funds</b>	<b>FY2006</b>
<b>Total:</b>	<b>Yes</b>
<b>State:</b>	<b>Yes</b>
<b>% Reduction</b>	<b>N/A</b>

**Part I - Methodology/Rationale**

Current : The face value of promissory notes is not counted as an asset in determining nursing home eligibility. The income produced by these notes is counted.

Proposed: Count the face value of all promissory notes toward the resource limit in determining eligibility.

Last Change: N/A

**Part II - Member Impact**

Sub - Program	Members Utilizing Service	
	Percent	Total
Children		-
MF Children	0.0%	55
Disabled		-
Elderly		-
Adults		-
PeachCare		-
Total Members	0.0%	55

**Part III - State Comparison**

- Most states count the face value of promissory notes in the determination of eligibility.

**Part IV - Administrative Requirements**

- State Plan Amendment
- Changes to the SUCCESS computer system

# Mandatory vs. Optional



**Medicaid Eligibility  
Adults and Children  
(CY2003)**

Annual Income (family size = 3)	% of Federal Poverty Level									
		Spend Down for Medically Needy Pregnant Women/Children <sup>4</sup> <b>Eligibles: 1    Payments: \$ 7,000</b>								
over 235%	235% FPL	Presumptive Eligibility <sup>1</sup>	RSM <sup>2</sup>	Medicaid or PeachCare for Kids <sup>5</sup>	PeachCare for Kids	PeachCare for Kids				
\$36,008										
200% FPL		Presumptive Eligibility <sup>1</sup>  <b>Eligibles: 6,600 Payments: \$4.9 M</b>	RSM <sup>2</sup> <b>Eligibles: 8,000 Payments: \$59 M</b>	<b>Eligibles: 11,000 Payments: \$29.3 M</b>	<b>Eligibles: 54,300 Payments: \$67.5 M</b>	<b>Eligibles: 135,900 Payments: \$178.6 M</b>				
\$30,681										
185% FPL										
\$28,376										
133% FPL			RSM <sup>2</sup>	Newborn	RSM <sup>2</sup>		Transitional Medical Assistance (TMA) <sup>7</sup>	Breast and Cervical Cancer Medicaid State Plan Option <sup>8</sup>	Emergency Medical Aliens Adults and Children <sup>9</sup>	
\$20,301										
100% FPL			<b>Eligibles: 43,600 Payments: \$345 M</b>	<b>Eligibles: 79,000 Payments: \$358.5 M</b>	<b>Eligibles: 167,000 Payments: \$207.6 M</b>	<b>RSM<sup>2</sup> Eligibles: 232,400 Payments: \$305.2 M</b>	<b>Eligibles: 58,200 Payments: \$102.8 M</b>	<b>Eligibles: 1,700 Payments: \$ 27 M</b>	<b>Eligibles: 3,380 Payments: \$ 83.4 M</b>	
\$15,264										
Standard of Need					Low Income Medicaid (LIM) <sup>6</sup> <b>Eligibles: 309,000    Payments:\$701.5 M</b>					
\$6,088										
		Pregnant Women	Pregnant Women <sup>3</sup>	Infants up to Age 1 <sup>5</sup>	Children 1-5	Childr 6 - 18	Parents	Parents & Children- Transitional Medicaid	Breast and Cervical Cancer	Emergency Medical Aliens

<sup>1</sup> Services restricted - no inpatient hospital or delivery

<sup>2</sup> Right From The Start Medicaid, coverage for pregnant women also covers newborn child

<sup>3</sup> Coverage for pregnant women limited to time of pregnancy and 60 days postpartum

<sup>4</sup> Spend down to medically needy level income limit of \$507/month for a family of 3

<sup>5</sup> For infants not born to pregnant women eligible for Medicaid coverage at the time of birth up to 200% of FPL.


<sup>6</sup> Includes adoption supplement and foster care children


<sup>7</sup> Covers children & parents who lose LIM due to earnings (limited to one year)


<sup>8</sup> Must meet breast/cervical cancer screening requirement, be uninsured, and under 65 years old

<sup>9</sup> Includes EMA eligibles that appear in other aid categories as well as being flagged as EMA.

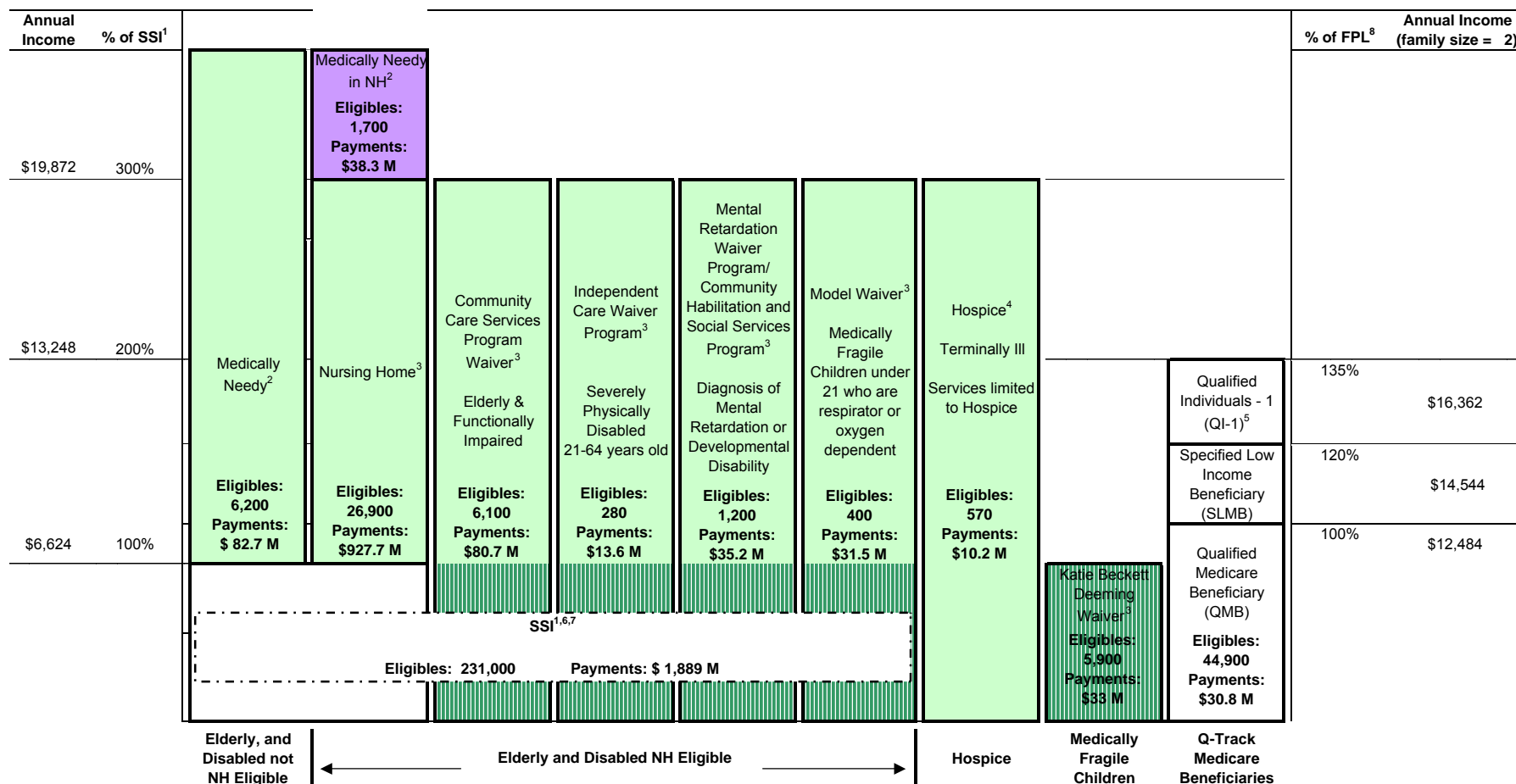
**Legend**

 Mandatory

 Optional

 FY 2005 Eligibility Cut

# Medicaid Eligibility Elderly, Disabled Adults, and Medically Fragile Children (CY2003)



<sup>1</sup> SSI - Supplemental Security Income

<sup>2</sup> Spenddown required to medically needy level

<sup>3</sup> Nursing Home level of care required

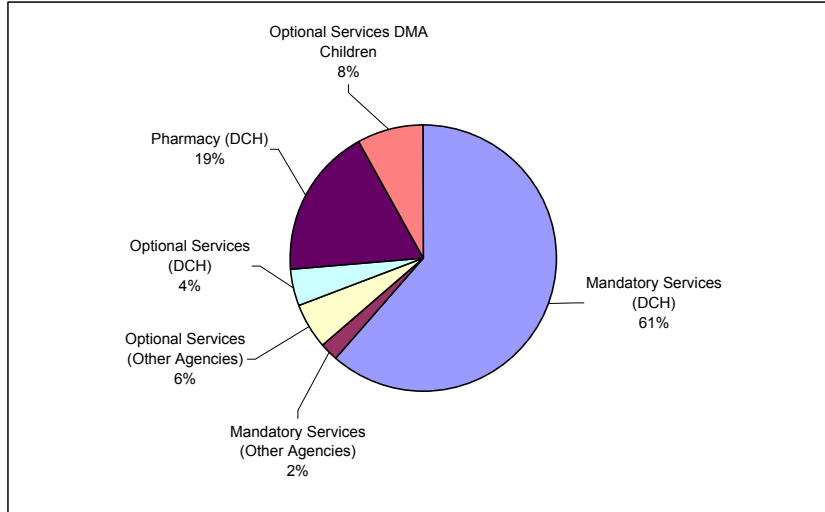
<sup>4</sup> Services waiver only, this population becomes eligible via other eligibility groups or waivers

<sup>5</sup> Mandatory but limited to state allotment

<sup>6</sup> Includes former SSI recipients who remain eligible under Public Laws and Nursing Home SSIs

<sup>7</sup> Former SSI Children

**Medicaid and PeachCare  
CY 2003 Expenditures  
Mandatory and Optional Services**



**Mandatory Services  
State Funds in Department of Community Health Budget**

Benefit	CY 2003 Expenditures
Inpatient Hospital Care	\$1,115,635,580
Skilled Nursing Facilities (SNF)	\$716,355,597
Physician Services	\$636,143,503
Outpatient Hospital Care	\$618,085,244
Intermediate Care Facilities (ICF)	\$152,968,537
EPSDT	\$46,258,959
Durable Medical Equipment	\$36,651,841
Independent Laboratory	\$25,565,942
Nurse Practitioner	\$17,329,529
Nurse Mid Wife	\$13,526,535
Home Health	\$11,393,881
Federally Qualified Health Centers	\$9,346,080
Physician Assistant Services	\$8,210,751
Intermediate Care for the Mentally Retarded (ICFMR)	\$5,918,505
Hospital Based Rural Health Centers	\$4,376,178
Free Standing Rural Health Centers	\$4,153,545
Nursing Facility-based Mental Health services (PASARR)	\$2,908,161
Family Planning	\$2,633,939
Unknown Category of Service	\$382,355
Oral Surgery	\$164,828
Chiropractic (Medicare only)	\$38,257
Rehabilitative Therapy (Medicare only)	\$24,810
Physical Therapy (Medicare only)	\$21,917
Licensed Clinical Social Work	\$16,048
Speech Therapy (Medicare only)	\$664
<b>Subtotal - Mandatory Benefits</b>	<b>\$3,428,111,188</b>

**Optional Services  
State Funds in Department of Community Health Budget**

Benefit	CY 2003 All Other Expenditures	CY 2003 DMA Children Expenditures
Pharmacy	\$777,833,354.79	\$257,318,384.15
Children's Dental	\$52,360,522.02	\$122,583,027.94
Children Intervention Services	\$3,769,014.77	\$46,812,858.31
Dialysis Services - Technical	\$29,388,461.83	\$285,928.62
Hospice	\$28,525,351.13	\$661,334.33
Independent Care Waiver Program	\$24,961,213.66	\$488,386.68
Psychology	\$4,174,232.05	\$19,438,127.82
SOURCE Case Management	\$22,994,430.53	\$383,980.08
Emergency Ambulance	\$15,846,188.05	\$5,762,641.50
Georgia Better Health Care	\$7,988,953.40	\$12,101,130.00
Adult Dental	\$17,249,050.47	\$47,379.63
Optometric	\$4,637,346.42	\$6,737,059.88
Pharmacy DME Supplier	\$8,025,905.38	\$2,572,232.01
Orthotics and Prosthetics	\$4,510,253.66	\$5,028,880.09
Ambulatory Surgical Centers	\$4,374,625.33	\$3,623,952.74
GAAP In-Home Private Duty Nursing	\$38,884.00	\$7,733,301.89
Model Waiver Program	\$0.00	\$7,064,967.97
Dedicated Case Management Services	\$5,604,004.37	\$469,000.00
Early Intervention Program	\$41,451.50	\$4,390,751.58
Perinatal Case Management	\$4,234,381.86	\$194,877.94
Podiatry	\$3,260,004.31	\$651,785.95
Emergency Air Ambulance	\$234,001.52	\$1,095,788.79
Dialysis Services - Professional	\$1,201,238.90	\$20,345.72
Pregnancy Related Services	\$892,356.36	\$124,504.95
Hospital Beds used for SNF services	\$443,063.38	\$406.00
Adults with AIDS Case Management	\$246,098.00	\$1,839.00
GAAP Medically Fragile Daycare	\$0.00	\$53,200.00
Childbirth Education	\$13,677.00	\$1,263.75
<b>Subtotal - Optional Benefits</b>	<b>\$1,022,848,064.69</b>	<b>\$505,647,337</b>

**Mandatory Services**

Benefit	CY 2003 Expenditures
State-owned ICFMR (DHR)	\$99,096,759
State-owned SNF (DHR)	\$25,356,388
State-owned ICF (DHR)	\$1,960,427
<b>Subtotal - Mandatory Benefits</b>	<b>\$126,413,575</b>
<b>Total - All Mandatory Benefits</b>	<b>\$3,554,524,763</b>

**Optional Services  
State Funds in Other Agencies' Budgets**

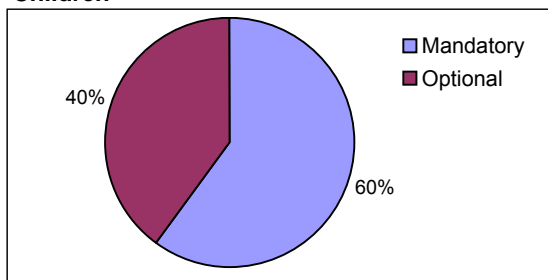
Benefit	CY 2003 All Other Expenditures	CY 2003 DMA Children Expenditures
Mental Retardation Waiver Program (DHR)	\$116,986,664	\$5,962,844
Community Mental Health Services (DHR)	\$56,055,115	\$36,556,266
Therapeutic Residential Intervention Services (DHR)	\$176,124	\$89,304,880
Community Care Services Program (DHR)	\$85,485,062	\$1,183,075
Community Habilitation and Support Services (DHR)	\$43,747,713	\$4,313,404
Child Protective Services Case Management (DHR)	\$45,563	\$36,323,944
School-based Children's Intervention Services (DOE)	\$1,517,300	\$11,184,383
At Risk of Incarceration Case Management (DJJ)	\$98,853	\$7,223,088
Diagnostic, Screening, and Prevention Services (DHR)	\$2,106,205	\$2,794,933
Adult Protective Services Case Management (DHR)	\$3,335,280	\$99,255
Children at Risk Targeted Case Management (DHR)	\$33,539	\$2,532,085
<b>Subtotal - Optional Benefits</b>	<b>\$309,587,418</b>	<b>\$197,478,157</b>
<b>Total - All Optional Benefits</b>	<b>\$1,332,435,482</b>	<b>\$703,125,495</b>

# Georgia Medicaid CY 2003

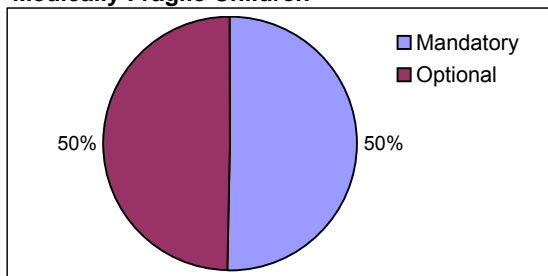
## CY 2003 Total Expenditures

## Benefits

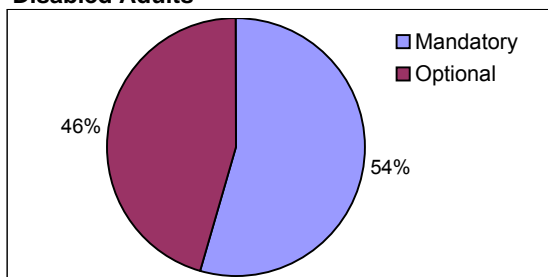
### Children



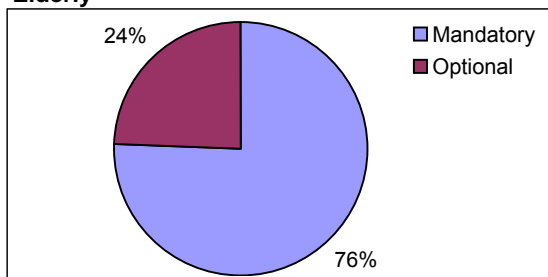
### Medically Fragile Children



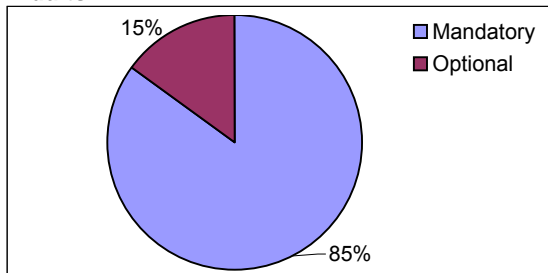
### Disabled Adults



### Elderly



### Adults



CY 2003 Total Expenditures	\$1,324,432,774
----------------------------	-----------------

Top 5 Optional Benefits	2003 Expenditures
1 300 Pharmacy	\$191,465,485
2 450 Hlth Chk Dental Pgm - under 21	\$116,120,583
3 870 Therapeutic Residential Interv	\$73,058,771
4 764 Child Protective Services	\$34,090,538
5 440 Community Mental Health Svcs	\$27,528,163

CY 2003 Total Expenditures	\$352,439,915
----------------------------	---------------

Top 5 Optional Benefits	2003 Expenditures
1 300 Pharmacy	\$65,852,899
2 840 Childrens Intervention Svc	\$29,681,781
3 870 Therapeutic Residential Interv	\$16,246,109
4 440 Community Mental Health Svcs	\$9,028,103
5 971 GAPP In-home Priv Duty Nursing	\$7,162,549

CY 2003 Total Expenditures	\$1,817,828,803
----------------------------	-----------------

Top 5 Optional Benefits	2003 Expenditures
1 300 Pharmacy	\$464,003,293
2 680 Mental Retardation Waiver Pgm	\$116,231,304
3 440 Community Mental Health Svcs	\$44,325,986
4 681 Comm Habilitation and Support	\$43,408,309
5 590 Community Care Services	\$37,628,509

CY 2003 Total Expenditures	\$1,039,533,176
----------------------------	-----------------

Top 5 Optional Benefits	2003 Expenditures
1 300 Pharmacy	\$174,310,154
2 590 Community Care Services	\$47,842,907
3 690 Hospice	\$14,177,677
4 930 Source	\$6,564,675
5 720 Dialysis Services - Technical	\$2,820,504

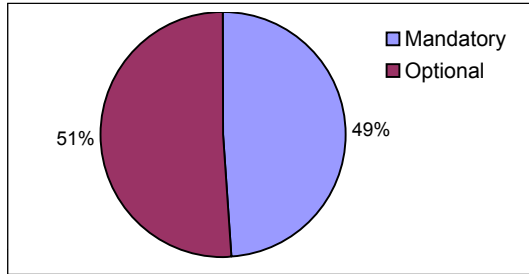
CY 2003 Total Expenditures	\$808,328,678
----------------------------	---------------

Top 5 Optional Benefits	2003 Expenditures
1 300 Pharmacy	\$83,597,522
2 460 Adult Dental Program	\$9,117,468
3 440 Community Mental Health Svcs	\$7,485,109
4 370 Emergency Ground Ambulance Svc	\$4,306,315
5 761 Perinatal Targeted Case Mgmt	\$4,191,492

# Georgia PeachCare CY 2003

## CY 2002 Total Expenditures

### Children



## Benefits

CY 2003 Total Expenditures	\$247,522,402
----------------------------	---------------

Top 5 Optional Benefits		2002 Expenditures
1	300 Pharmacy	\$55,922,387
2	450 Hlth Chk Dental Pgm - under 21	\$48,330,758
3	570 Psychological Services	\$3,967,354
4	440 Community Mental Health Svcs	\$3,858,584
5	840 Childrens Intervention Svc	\$3,474,322

# **Subprogram Expenditures**

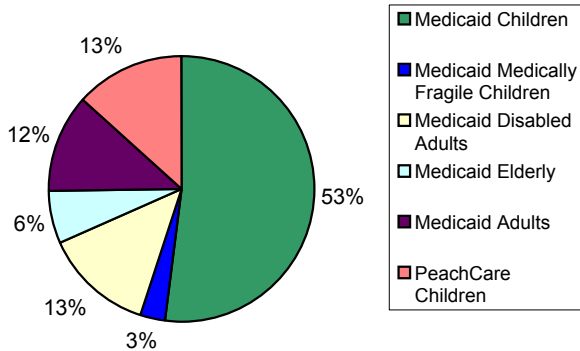
## **CY2003**

## Georgia Medicaid and PeachCare

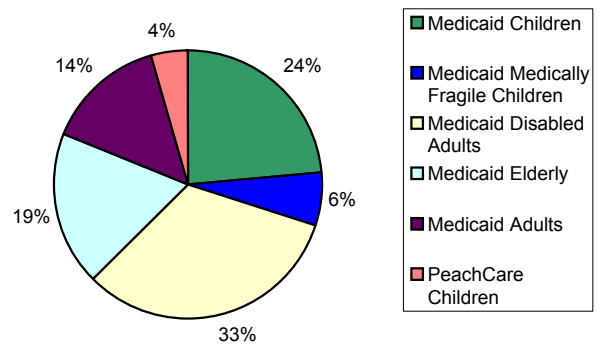
CY 2003 (services incurred 1/2003 through 12/2003 and paid through 5/2004)

Total Expenditures	<b>\$5,590,085,749</b>	Average Monthly Enrollment	<b>1,433,251</b>
State Share of Expenditures	<b>\$2,197,071,821</b>	Outpatient ER visits per 1,000 Members*	<b>765.6</b>
Federal Share of Expenditures	<b>\$3,393,013,927</b>	Inpatient Hospital Admissions per 1,000 Members	<b>196.6</b>
Average PMPM	<b>\$325.02</b>		

**Eligibility by Major Program**

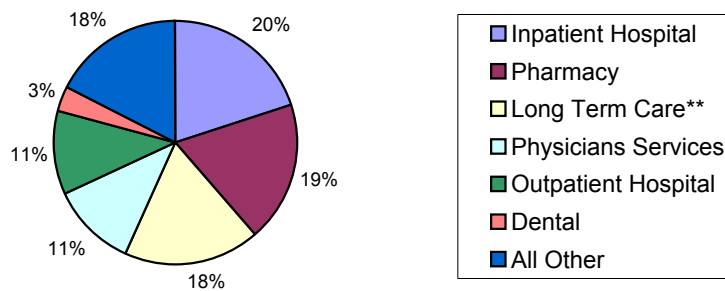


**Payments by Major Program**



### Expenditures by Major Categories of Service

Category	CY 02 Expenditures	CY 03 Expenditures
Inpatient Hospital	\$970,748,589	\$1,115,962,601
Pharmacy	\$860,824,148	\$1,045,886,594
Long Term Care**	\$939,688,838	\$1,001,656,214
Physicians Services	\$586,585,384	\$636,451,138
Outpatient Hospital	\$527,070,513	\$618,342,489
Dental	\$155,924,720	\$192,347,925
All Other	\$971,944,431	\$979,438,789
<b>Total</b>	<b>\$5,012,786,623</b>	<b>\$5,590,085,749</b>



\* ER Visits include both outpatient ER visits and ER visits resulting in an inpatient stay.

\*\* Includes private and state run skilled nursing facilities and intermediate care facilities.

Data prepared by the GA DCH DSS Analysis Unit, 7/12/2004

## Georgia Medicaid Children

### Medicaid covers children:

- ▶ Under 1 with family income that is no more than 185% of the federal poverty level
- ▶ Under 6 with family income that is no more than 133% of the federal poverty level
- ▶ Under 19 with family income that is no more than 100% of the federal poverty level
- ▶ Under 1 whose Mothers were Medicaid eligible when the child was born
- ▶ In foster care
- ▶ With special needs whose parents are receiving a special adoption supplement
- ▶ Under 1 whose Mothers were Medicaid eligible when the child was born
- ▶ Whose family income is over the limit but who have enough unpaid/incurred medical expenses to “spend down” the excess income and meet the income limit (Medically Needy)

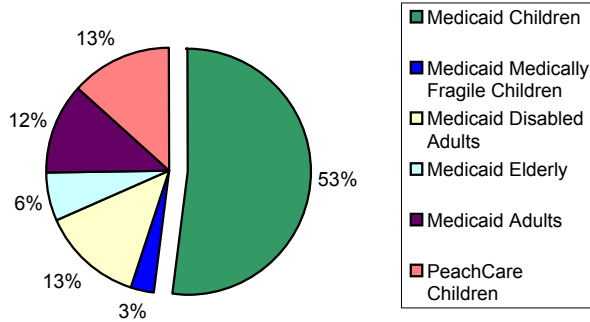


# Georgia Medicaid Children

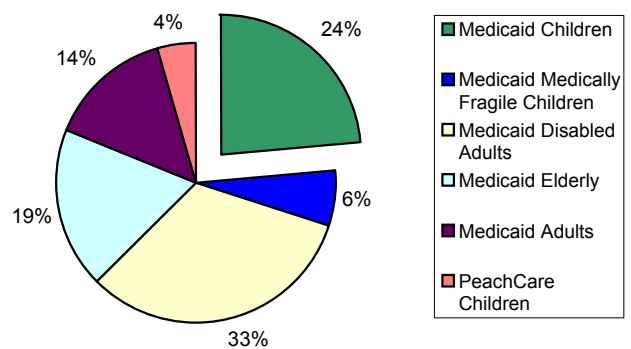
CY 2003 (services incurred 1/2003 through 12/2003 and paid through 5/2004)

Total Expenditures	<b>\$1,324,432,774</b>	Average Monthly Enrollment	<b>742,996</b>
State Share of Expenditures	<b>\$527,256,687</b>	Outpatient ER visits per 1,000 Members*	<b>657.7</b>
Federal Share of Expenditures	<b>\$797,176,086</b>	Inpatient Hospital Admissions per 1,000 Members	<b>132.7</b>
Average PMPM	<b>\$148.55</b>		

**Eligibility by Major Program**

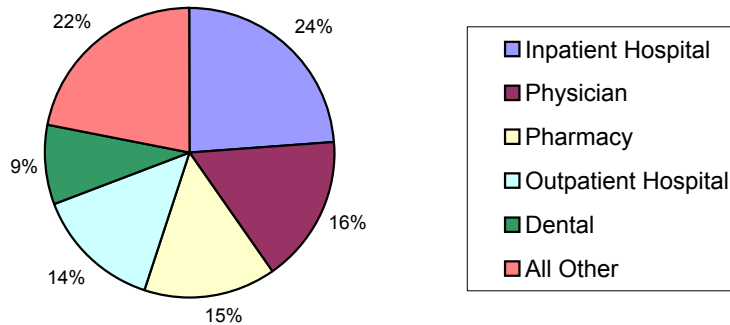


**Payments by Major Program**



## Expenditures by Major Categories of Service

Category	CY 02 Expenditures	CY 03 Expenditures
Inpatient Hospital	\$323,373,291	\$317,182,812
Physician	\$202,374,583	\$217,712,397
Pharmacy	\$141,490,993	\$193,170,367
Outpatient Hospital	\$160,640,020	\$189,257,553
Dental	\$94,294,438	\$116,129,713
All Other	\$273,932,602	\$290,979,932
<b>Total</b>	<b>\$1,196,105,927</b>	<b>\$1,324,432,774</b>



\* ER Visits include both outpatient ER visits and ER visits resulting in an inpatient stay.

Data prepared by the GA DCH DSS Analysis Unit, 7/12/2004

## **Georgia Medicaid Medically Fragile and Disabled Children**

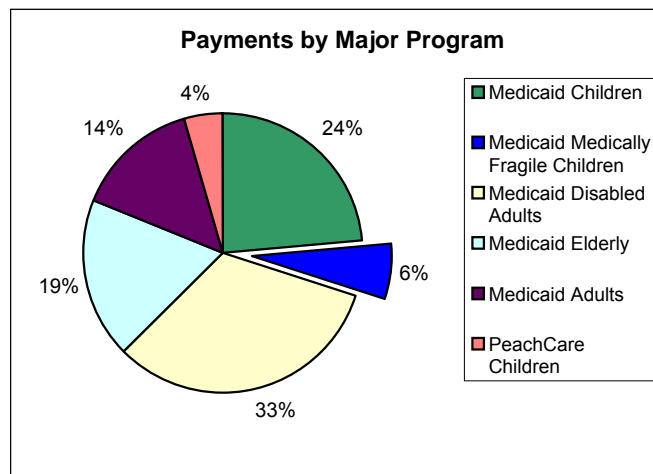
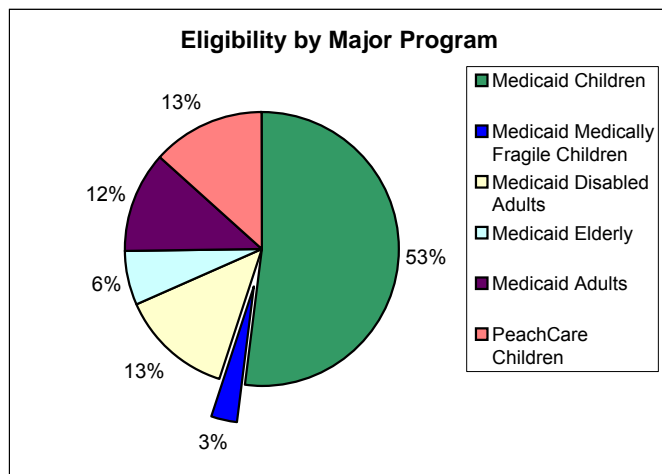
**Medicaid covers medically fragile children who:**

- ▶ Receive SSI (Supplemental Security Income)
- ▶ Lost their SSI because of the federal 1996 change in disability requirements but Georgia continues to cover.
- ▶ Are chronically ill and whose parents have income or resources that make the children ineligible for SSI. These children must need a nursing home level of care but have good home care that costs less.
- ▶ Qualify for other Medicaid categories and require special medical services because of the severity of their condition

# Georgia Medicaid Medically Fragile and Disabled Children

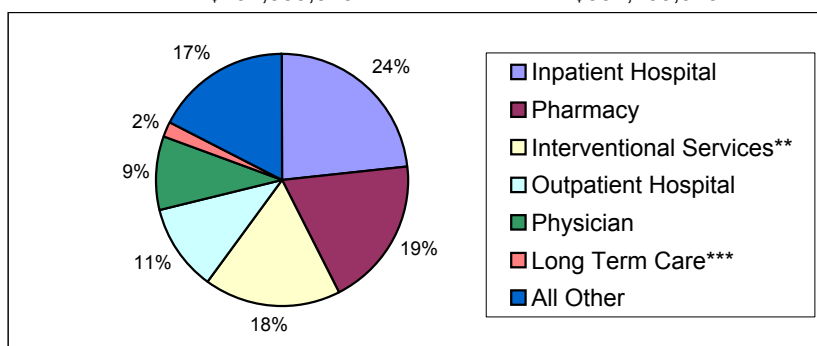
CY 2003 (services incurred 1/2003 through 12/2003 and paid through 5/2004)

Total Expenditures	\$352,439,915	Average Monthly Enrollment	47,253
State Share of Expenditures	\$140,306,330	Outpatient ER visits per 1,000 Members*	760.6
Federal Share of Expenditures	\$212,133,585	Inpatient Hospital Admissions per 1,000 Members	174.2
Average PMPM	\$621.55		



## Expenditures by Major Categories of Service

Category	CY 02 Expenditures	CY 03 Expenditures
Inpatient Hospital	\$61,623,289	\$82,703,210
Pharmacy	\$49,721,722	\$66,720,249
Interventional Services**	\$68,913,611	\$62,259,750
Outpatient Hospital	\$33,004,293	\$39,232,635
Physician	\$25,541,580	\$33,041,094
Long Term Care***	\$9,437,440	\$7,011,786
All Other	\$49,117,588	\$61,471,192
<b>Total</b>	<b>\$297,359,523</b>	<b>\$352,439,915</b>



\* ER Visits include both outpatient ER visits and ER visits resulting in an inpatient stay.

\*\* Includes waiver programs, children intervention services, community care program, PASARR, SOURCE, etc. Could be understated due to claims payment system issues.

\*\*\* Includes private and state run skilled nursing facilities and intermediate care facilities.

Data prepared by the GA DCH DSS Analysis Unit, 7/12/2004

## **Georgia Medicaid Disabled Adults**

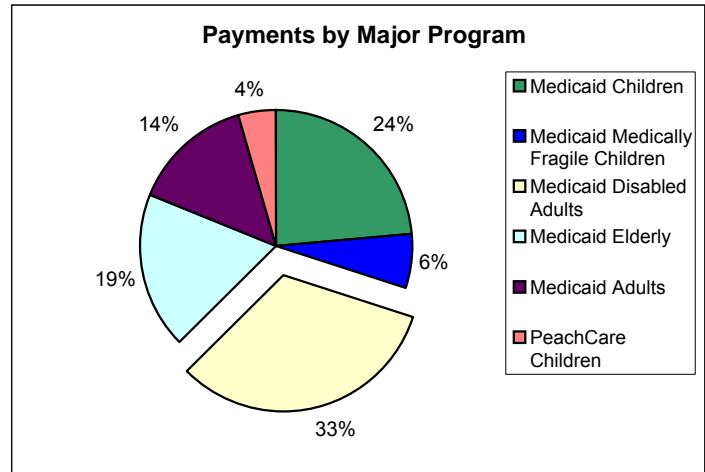
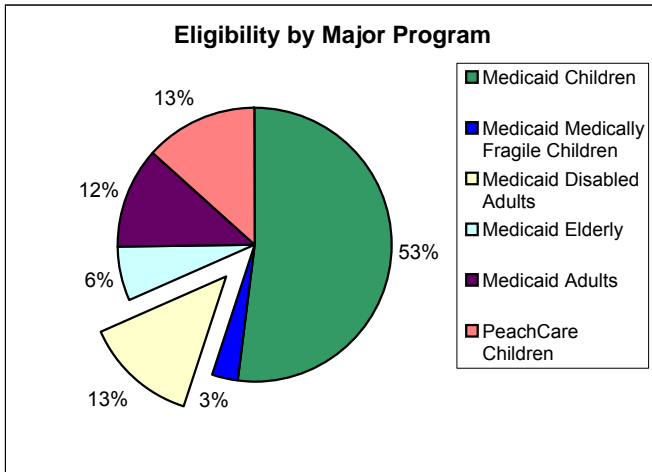
**Medicaid covers disabled adults (under 65) who:**

- ▶ Receive Supplemental Security Income (SSI)
- ▶ Lost their SSI coverage but keep their Medicaid coverage because of federal legislation
- ▶ Reside in the nursing home and meet the nursing home income and resource standards
- ▶ Need a nursing home level of care but can be cared for in the community with special home and community based services
- ▶ Are terminally ill
- ▶ Are entitled to Medicare and meet the income standards. These individuals receive help with their Medicare premiums, co-payments and deductibles only.
- ▶ Whose family income is over the limit but who have enough unpaid/incurred medical expenses to “spend down” the excess income and meet the income limit (Medically Needy)
- ▶ Are uninsured women under 65 and have a diagnosis of breast or cervical cancer

## Georgia Medicaid Disabled Adults

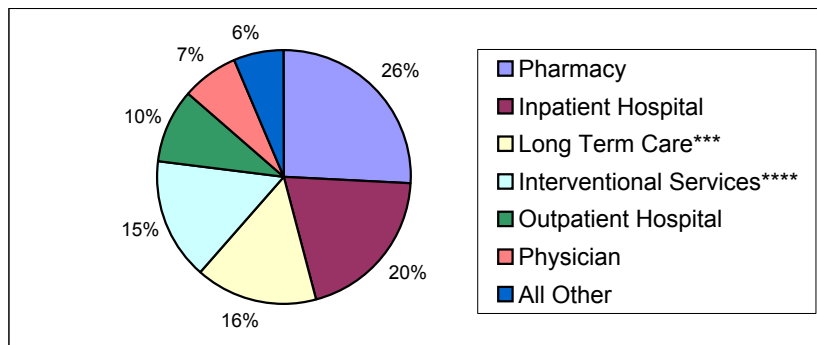
CY 2003 (services incurred 1/2003 through 12/2003 and paid through 5/2004)

Total Expenditures	<b>\$1,817,828,803</b>	Average Monthly Enrollment*	<b>188,560</b>
State Share of Expenditures	<b>\$723,677,646</b>	Outpatient ER visits per 1,000 Members**	<b>1,259.3</b>
Federal Share of Expenditures	<b>\$1,094,151,156</b>	Inpatient Hospital Admissions per 1,000 Members	<b>340.8</b>
Average PMPM	<b>\$803.38</b>		



### Expenditures by Major Categories of Service

Category	CY 02 Expenditures	CY 03 Expenditures
Pharmacy	\$391,442,665	\$469,263,589
Inpatient Hospital	\$298,141,059	\$362,616,170
Long Term Care***	\$279,025,498	\$285,561,836
Interventional Services****	\$212,505,394	\$280,183,071
Outpatient Hospital	\$155,030,727	\$175,045,042
Physician	\$127,656,062	\$131,085,948
All Other	\$178,895,146	\$114,073,146
<b>Total</b>	<b>\$1,642,696,551</b>	<b>\$1,817,828,803</b>



\* Excludes SLMB and QI-1 eligibles as Medicaid only pays Medicare premiums for these categories.

\*\* ER Visits include both outpatient ER visits and ER visits resulting in an inpatient stay.

\*\*\* Includes private and state run skilled nursing facilities and intermediate care facilities.

\*\*\*\* Includes waiver programs, children intervention services, community care program, PASARR, SOURCE, etc. Could be understated due to claims payment system issues.

Data prepared by the GA DCH DSS Analysis Unit, 7/12/2004

## Georgia Medicaid Elderly

**Medicaid covers the elderly (65 and older) who:**

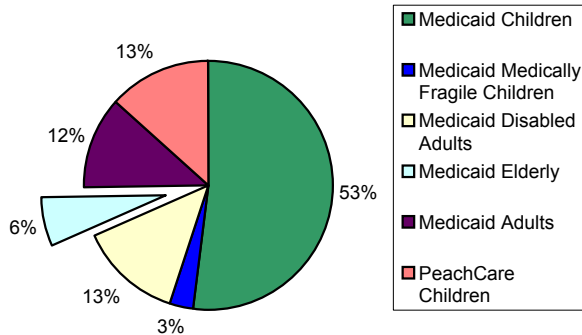
- ▶ Receive Supplemental Security Income (SSI)
- ▶ Lost their SSI coverage but keep their Medicaid coverage because of federal legislation
- ▶ Reside in the nursing home and meet the nursing home income and resource standards
- ▶ Need a nursing home level of care but can be cared for in the community with special home and community based services
- ▶ Are terminally ill
- ▶ Are entitled to Medicare and meet the income standards. These individuals receive help with their Medicare premiums, co-payments and deductibles only.
- ▶ Whose family income is over the limit but who have enough unpaid/incurred medical expenses to “spend down” the excess income and meet the income limit (Medically Needy)

## Georgia Medicaid Elderly

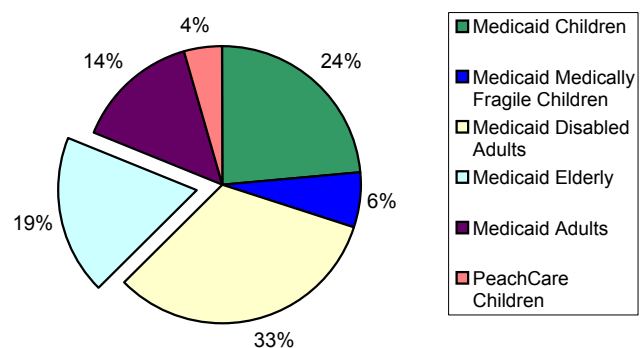
CY 2003 (services incurred 1/2003 through 12/2003 and paid through 5/2004)

Total Expenditures	<b>\$1,039,533,176</b>	Average Monthly Enrollment	<b>91,253</b>
State Share of Expenditures	<b>\$413,838,157</b>	Outpatient ER visits per 1,000 Members**	<b>648.3</b>
Federal Share of Expenditures	<b>\$625,695,019</b>	Inpatient Hospital Admissions per 1,000 Members	<b>287.4</b>
Average PMPM	<b>\$949.32</b>		

**Eligibility by Major Program**

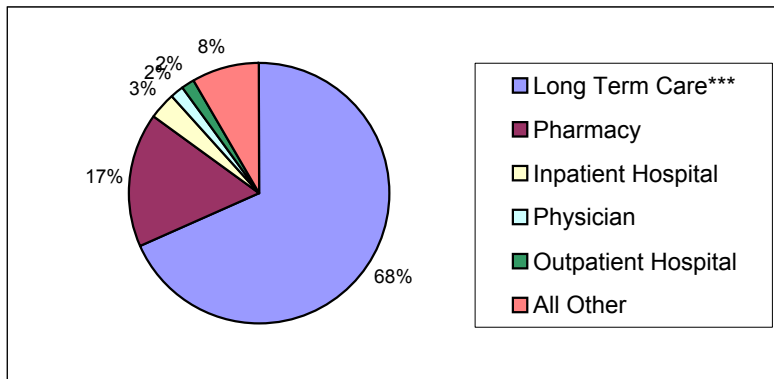


**Payments by Major Program**



### Expenditures by Major Categories of Service

Category	CY 02 Expenditures	CY 03 Expenditures
Long Term Care***	\$650,871,352	\$708,957,822
Pharmacy	\$170,524,317	\$175,037,068
Inpatient Hospital	\$35,487,894	\$33,633,402
Physician	\$24,550,341	\$16,521,190
Outpatient Hospital	\$18,484,885	\$17,836,460
All Other	\$107,921,641	\$87,547,234
<b>Total</b>	<b>\$1,007,840,430</b>	<b>\$1,039,533,176</b>



\* Excludes SLMB and QI-1 eligibles as Medicaid only pays Medicare premiums for these categories.

\*\* ER Visits include both outpatient ER visits and ER visits resulting in an inpatient stay.

\*\*\* Includes private and state run skilled nursing facilities and intermediate care facilities.

Data prepared by the GA DCH DSS Analysis Unit, 7/12/2004

## Georgia Medicaid Adults

### Medicaid covers the following adults:

- ▶ Pregnant women whose family income is less than 235% of the federal poverty level (\$35,880 annual income for a family of three)
- ▶ Pregnant women whose family income is over the limit but who have enough unpaid/incurred medical expenses to “spend down” the excess income and meet the income limit (Medically Needy)
- ▶ Parents in families who have very low income
- ▶ Parents in families who have lost their Medicaid eligibility due to increases in wages or child support

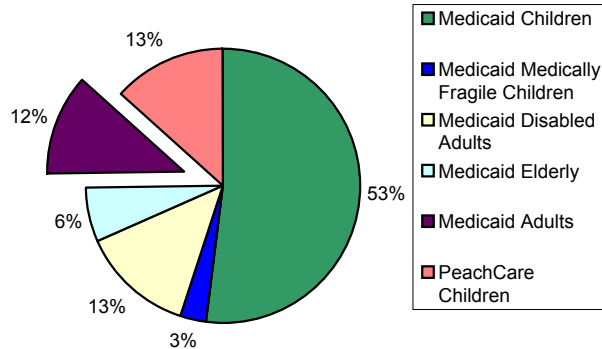


## Georgia Medicaid Adults

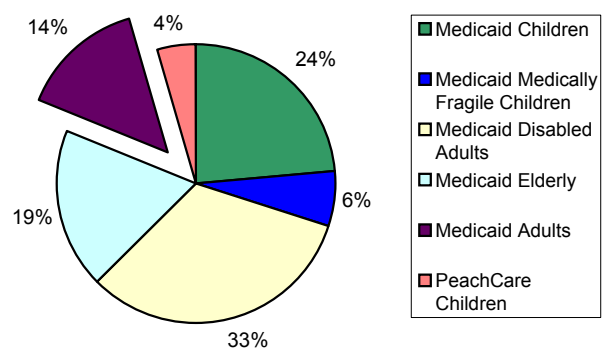
CY 2003 (services incurred 1/2003 through 12/2003 and paid through 5/2004)

Total Expenditures	<b>\$808,328,678</b>	Average Monthly Enrollment	<b>172,160</b>
State Share of Expenditures	<b>\$321,795,647</b>	Outpatient ER visits per 1,000 Members*	<b>1,151.7</b>
Federal Share of Expenditures	<b>\$486,533,031</b>	Inpatient Hospital Admissions per 1,000 Members	<b>469.6</b>
Average PMPM	<b>\$391.27</b>		

**Eligibility by Major Program**

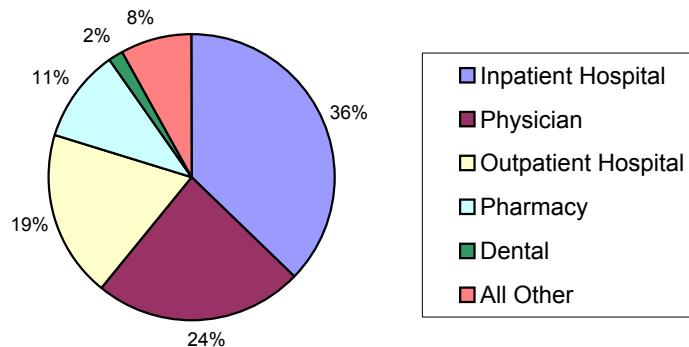


**Payments by Major Program**



### Expenditures by Major Categories of Service

Category	CY 02 Expenditures	CY 03 Expenditures
Inpatient Hospital	\$235,404,227	\$300,137,532
Physician	\$166,255,760	\$190,972,965
Outpatient Hospital	\$123,142,112	\$152,870,572
Pharmacy	\$65,151,558	\$85,085,646
Dental	\$9,645,272	\$13,044,192
All Other	\$62,203,138	\$66,217,772
<b>Total</b>	<b>\$661,802,067</b>	<b>\$808,328,678</b>



\* ER Visits include both outpatient ER visits and ER visits resulting in an inpatient stay.

Data prepared by the GA DCH DSS Analysis Unit, 7/12/2004

## Georgia PeachCare for Kids

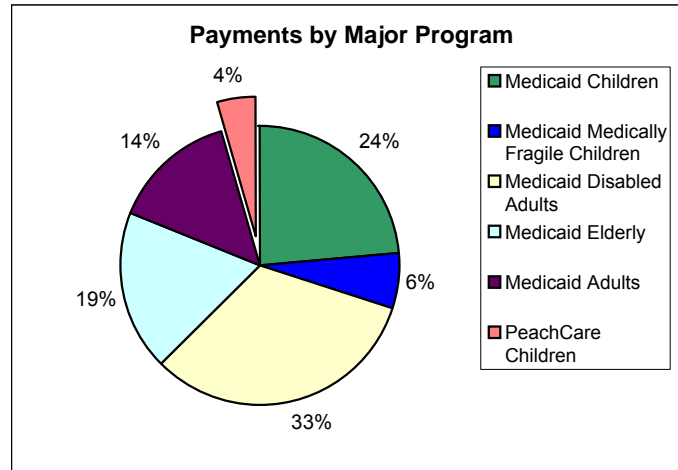
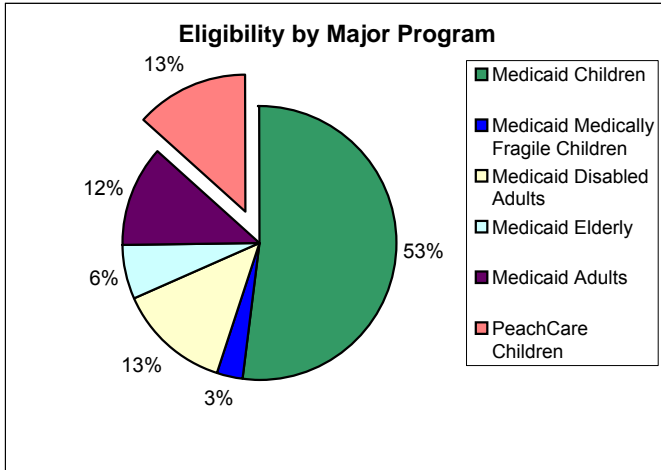
### **PeachCare covers children:**

- ▶ Under 19 who have family income that is less than 235% of the federal poverty level, who are not eligible for Medicaid or any other health insurance plan and who cannot be covered by the State Health Benefit Plan.

# Georgia PeachCare for Kids

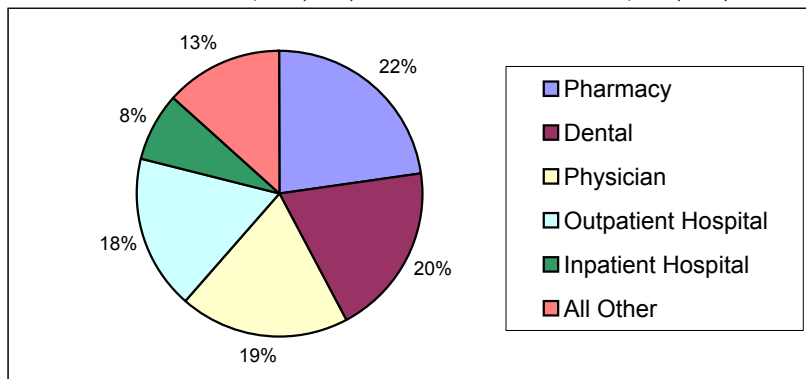
CY 2003 (services incurred 1/2003 through 12/2003 and paid through 5/2004)

Total Expenditures	\$247,522,402	Average Monthly Enrollment	191,030
State Share of Expenditures	\$70,197,353	Outpatient ER visits per 1,000 Members*	407.1
Federal Share of Expenditures	\$177,325,049	Inpatient Hospital Admissions per 1,000 Members	18.6
Average PMPM	\$107.98		



## Expenditures by Major Categories of Service

Category	CY 02 Expenditures	CY 03 Expenditures
Pharmacy	\$42,492,893	\$56,472,956
Dental	\$39,495,385	\$48,330,758
Physician	\$40,207,058	\$46,809,910
Outpatient Hospital	\$36,768,476	\$43,842,983
Inpatient Hospital	\$16,718,829	\$19,362,454
All Other	\$31,299,485	\$32,703,342
<b>Total</b>	<b>\$206,982,125</b>	<b>\$247,522,402</b>



\* ER Visits include both outpatient ER visits and ER visits resulting in an inpatient stay.

Data prepared by the GA DCH DSS Analysis Unit, 7/12/2004